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SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE

PUBLIC HEARING, JANUARY 26, 27, 28, 1960

HACIENDA MOTEL

FRESNO, CALIFORNIA

COMMITTEE MEMBERS: Senator James A. Cobey, Chairman; Alan Short, Vice Chairman; James J. McBride; Robert I. Montgomery; Albert S. Rodda; John F. Thompson; and J. Howard Williams.

..PLEASE RETAIN..

This is the agenda for all three days.

APR 2

A G E N D A

TUESDAY, JANUARY 26 - 10:00 A.M., YOSEMITE ROOM

1. GEORGE L. MEHREN, Ph.D., Director, Giannini Foundation of Agricultural Economics, University of California, Berkeley--- Who benefits from the increased efficiency of the farmer? What have farmers received from their produce over the last fifteen years as compared with the expenses they have had to pay?

2. PAUL S. TAYLOR, Ph.D., Chairman, Institute of International Studies, University of California, Berkeley --- (1) History of the California farm labor problem. (2) History of foreign farm labor in California. (3) History of migratory and interstate farm labor in California.

3. J.J. MILLER, Manager, Agricultural Producers Labor Committee, Los Angeles --- Agricultural domestic referrals by Department of Employment.

4. GORDON VAN VLECK, 1st Vice President, California Cattlemen's Association, Sloughhouse --- Competitive position of the California beef cattle industry with beef cattle production in other states and other countries of the world.

5. LEONARD V. THOMPSON, President, Lodi District Grape Growers Association, Inc., Lodi --- The need for the bracero program in the Lodi district.

6. GEORGE ROCHE, Chief of Research and Statistics, and; ALBERT TIEBERG, Chief, Division of Public Employment Offices and Benefit Payments, State Department of Employment, Sacramento --- Determination of prevailing wage, etc.

7. JAMES MURRAY, Acting Secretary, California Citizens Committee for Agricultural Labor, San Francisco --- Legal aspects of legislation discriminating against farm laborers.

8. RICHARD JOHNSEN, JR., Executive Secretary, Agricultural Council of California, Sacramento --- Competitive condition of California agriculture.

9. HAROLD ANGIER, General Manager, California Grape and Tree Fruit League, San Francisco --- California's fresh deciduous tree fruit, berry and grape industry; and proposed amendments to the California Labor Code.

10. JOHN STANLEY, Representative, Fresno County Farm Bureau, Del Rey --- Fresno County's farm labor problems.

WEDNESDAY, JANUARY 27, - 10:00 A.M., YOSEMITE ROOM

1. RALPH B. BUNJE, Manager, California Canning Peach Association, San Francisco --- Economic significance of agricultural labor to cling peach growers.
2. LEO GIOBETTI, Tomato grower, representing the tomato industry in Merced County, Merced --- The tomato growers' farm labor problems.
3. HYLAND J. HEBERT, M.D., Public Health Officer, Imperial County, El Centro --- Report from the Imperial County Action Committee on Food Crop Harvesting Sanitation.
4. MISS RACHEL GUARJADO, Representative, Local 78, Fresno, and; CLIVE KNOWLES, District Representative, United Packinghouse Workers of America, AFL-CIO, Los Angeles --- Public Law 78; case studies of domestic farm workers; and the wages and earnings of farm workers.
5. FRED HERINGER, 2nd Vice President, California Farm Bureau Federation and Chairman, Farm Labor Committee, Oroville --- California's farm labor problems.
6. JOHN BENSON, cotton grower, Fresno --- Cotton industry in Fresno County.

7. FRANK BERGON, Tomato grower, Madera --- Use of domestic labor in tomatoes compared with Mexican Nationals. Classification of agricultural labor.

8. PHILIP DAVIS, Northern California Coordinator, California Farm Research and Legislative Committee, Santa Clara --- Economic Health of California's rural areas.

9. WILLIAM H. TOLBERT, Manager, Ventura County Citrus Growers Committee, Santa Paula --- Average worker earnings in the citrus industry.

10. EDWARD STEFFIN, Grape grower, Kerman --- A Fresno County grape grower's labor problems.

11. E. JAMES HOUSEBERG, Director, Agricultural Department, California State Chamber of Commerce, San Francisco --- The policy of the State Chamber of Commerce in regard to Public Law 78.

12. T.N. PETERSEN, Fig grower and attorney-at-law, Merced --- Labor needs - fig industry in Merced County.

13. CHARLES J. TELFORD, Manager, California Freestone Peach Association, Modesto --- Labor supply - 1959 Harvest, freestone peaches, Merced County.

14. CHARLES PRUESS, Orchardist, Clovis --- Labor problems in tree crops, Fresno County.

15. EYVIND FAYE, Farmer, Knight's Landing.

16. JACK SULLIVAN

THURSDAY, JANUARY 28 - 10:00 A.M., MANANA ROOM

1. NORMAN SMITH, California Director, Agricultural Workers Organizing Committee, AFL-CIO, Stockton --- California's farm labor problems.
2. DONALD R. ROGERS, Peach grower, Atwater --- Peach grower's costs in Merced County.
3. HENRY J. SANSONI, Diversified farmer, Merced --- Farm labor problems.
4. C. J. HAGGERTY, Secretary-Treasurer, California Labor Federation, AFL-CIO, San Francisco --- California's farm labor problems.
5. BRADFORD McALLISTER, Representative American Friends Society, Visalia --- Domestic farm workers.
6. CLYDE JONES, Peach grower, Ballico --- Farm labor problems.
7. Representative, Fresno County Rural Health and Education Committee, Fresno --- Resume of findings and conclusions on a study of farm laborers, Fresno County, 1-1-59 to 7-1-59.
8. C. GILBERT PITTS, Chairman, Labor Committee, Merced County Farm Bureau, Atwater --- Farm labor in Merced County - the past and the future.
9. L.C. PARKER, Assistant General Manager, Coit Ranch, Inc., Mendota --- Need for Mexican agricultural workers in the cantaloupe industry. Employee housing.
10. RICHARD S. AMADOR, Teamsters Legislative Council, Sacramento --- Farm labor problems.

11. JACK BARTLETT, Representing the Kern County Farm Labor Ministry, Bakersfield --- Domestic farm labor.

12. ROOSEVELT CARTER, Farm laborer, Bakersfield.

13. Member, Community Service Organization, Bakersfield.

14. CECIL HOFFMAN, D.D., Methodist Church, Mendota --- Domestic farm labor.

SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE

PUBLIC HEARING, JANUARY 26, 27, 28, 1960

HACIENDA MOTEL

FRESNO, CALIFORNIA

OPENING STATEMENT

SENATOR JAMES A. COBEY

This is the last of a series of three public hearings on farm labor problems conducted by the Senate Fact Finding Committee on Labor and Welfare. The first was held in Sacramento on November 16 and 17, 1959; the second in El Centro on January 15, 1960.

Today we are concerned with the immediate problems of the farmers, the farm workers, and the farm community, and it is particularly gratifying to the committee that so many people representing these particular groups are here to assist us in our study.

This is a seven-man committee, created by Senate Resolution 135 during the 1959 Session of the Legislature, authorized to study among other subjects, all facts relating to all phases of farm labor problems. Today we have sitting with us members of the Senate Fact Finding Committee on Agriculture, as it, too, is cognizant of this area's importance as a major contributor to California's agricultural output.

Because of our very lengthy agenda, I will be brief as to our committee's responsibilities. We will analyze the general and factual material collected and any specific current problems presented. We will do everything possible to insure a fair, objective, and impartial study -- and here may I comment that I believe each person who appears before this committee has a similar responsibility -- that of adhering to the facts and making certain those facts are as accurate as they can be. It is for this reason that we are requiring all witnesses to testify under oath. This procedure was followed at the Sacramento and El Centro hearings.

The committee is required to submit a final report to the Senate. It will be predicated on the analyzed evidence received and the somewhat limited research we are conducting. The report will include the committee's recommendations for remedial legislation, if it appears warranted, as well as proposed solutions of problems which may not require specific legislation. We will also advise the Senate of the extent to which the State's Executive Branch is following the intent of the Legislature laid down in applicable statutes.

Again, may I thank you for your interest in

our endeavors and the contributions I know you will make toward our study. In choosing Fresno as the site of our third hearing we were not amiss in coming to the source for information concerning the committee's historical, economic, and social investigation of farm labor problems in California.

The members of the Senate Fact Finding Committee on Labor and Welfare are the Vice Chairman, Senator Alan Short of Stockton, representing San Joaquin County; Senator James J. McBride of Ventura, representing Ventura County; Senator Robert I. Montgomery of Hanford, representing Kings County; Senator Albert S. Rodda of Sacramento, representing Sacramento County; Senator John F. "Jack" Thompson of San Jose, representing Santa Clara County; and Senator J. Howard Williams of Porterville, representing Tulare County. I am Senator James A. Cobey of Merced, representing Merced and Madera Counties and Chairman of the Committee. Staff members are Andrew W. Oppmann, Jr., Executive Secretary, and Ruth Boyd, Secretary.

The members of the Senate Fact Finding Committee on Agriculture are: the Chairman, Senator Paul L. Byrne of Chico, representing Butte County; the Vice Chairman

Senator J. William Beard, representing Imperial County; Senator Nathan F. Coombs of Napa, representing Napa and Yolo Counties; Senator A. A. Erhart of Arroyo Grande, representing San Luis Obispo County; Senator John J. Hollister, Jr., of Santa Barbara, representing Santa Barbara County; Senator John A. Murdy, Jr. of Santa Ana, representing Orange County; Senator Virgil O'Sullivan of Williams, representing Colusa, Glenn and Tehama Counties; Senator Joseph A. Rattigan of Santa Rosa, representing Sonoma County; Senator Waverly Jack Slattery of Finley, representing Lake and Mendocino Counties; Senator Walter W. Stiern of Bakersfield, representing Kern County; and Mr. Paul K. Huff is the Executive Secretary of this committee.

I N D E X

Material To Be Submitted Into The Record

Fresno Hearing
January 26, 27, 28, 1960

1- Resume of statutes, rules and regulations relating to the employment of minors in agriculture.

2- Material relating to Assembly Bill 1663 - 1959.

a) Letter of referral from Senate Committee on Rules, November 17, 1959.

b) AB 1663 - 1959.

c) Opinion #1077, Legislative Counsel, January 15, 1960, "Confidential Information and Records, Department of Employment".

d) Letter from Irving H. Perluss, Director, State Department of Employment, December 2, 1959, relating to confidentiality of information and records of the program for the importation of Mexican National farm workers.

3- Material relating to employment in California of foreign agricultural workers other than Mexican Nationals.

a) Letter from A.D. Sneed, Assistant Regional Commissioner, Special Projects, U.S. Department of Justice, Immigration and Naturalization Service, Southwest Region, January 8, 1960.

4- Material relating to employment of foreign agricultural workers in the Pacific Northwest.

a) Letter from Walter G. Francis, Manager, U.S. Department of Labor Reception Center, El Centro, January 20, 1960, relating to Mexican Nationals employed in Pacific Northwest, 1955 - 1959.

b) Letter from Joseph G. Beeson, Regional Farm Placement Representative, Region XI of U.S. Department of Labor, January 20, 1960, relating to employment of foreign farm workers other than Mexican Nationals in Pacific Northwest, 1955 - 1959.

MATERIAL FOR RECORDS

5- Copy of Information Concerning Entry of Mexican Agricultural Workers into the United States, U.S. Department of Labor, Bureau of Employment Security, Farm Labor Service, BES No. F - 146, October 1959.

6- Material relating to agricultural marketing orders and programs affecting California crops.

a) Cover letter from Charles V. Dick, Deputy Director, State Department of Agriculture, January 12, 1960.

b) Cover memorandum to Charles V. Dick from E.W. Braun, Chief, Bureau of Markets, State Department of Agriculture, January 12, 1960.

c) Table I - California State Marketing Orders and Programs.

d) Table II - Federal Marketing Orders Operating in California.

7- Material relating to California's agriculture.

a) Cover letter from W. Ward Henderson, Agricultural Statistician In Charge, State Department of Agriculture, January 22, 1960.

b) Table 1 - California Crops: Acreage of principal crops by counties, 1958.

c) Table 2 - California Field Crops: Harvested acreage of principal crops by counties, 1958.

d) Table 3 - California Fruits and Nuts: Total acreage of principal crops by counties, 1958.

e) Table 4 - California Vegetables and Melons Harvested acreage of principal crops by counties, 1958.

f) Map 1 - Principal California Field Crops by acreage harvested, 1958.

g) Map 2 - California Fruit and Nuts Crops by total acreage, 1958.

h) Map 3 - California Vegetables by acreage harvested, 1958.

i) Map 4 - California Cotton by acreage harvested, and usual harvest season, 1958.

j) Map 5 - California Grapes by total acreage, and usual harvest season, 1958.

k) Map 6 - California Lemons by total acreage, and usual harvest season, 1958.

l) Map 7 - California Lettuce by acreage harvested, and usual harvest season, 1958.

m) Map 8 - California Melons by acreage harvested, and usual harvest season, 1958.

n) Map 9 - California Nuts by total acreage, and usual harvest season, 1958.

o) Map 10 - California Oranges by total acreage, and usual harvest season, 1958.

p) Map 11 - California Peaches by total acreage, and usual harvest season, 1958.

q) Map 12 - California Tomatoes by acreage harvested, and usual harvest season, 1958.

8- Crop production cost analyses, submitted by County Farm Advisors.

a) Alfalfa - Yuba County, 1959.

b) Almonds - Merced County, 1959.

c) Barley - Glenn County, 1958.

d) Bartlett Pears - Nevada County, 1958.

e) Cotton - Kings County, 1959.

f) Dairy Ranch - Butte County, 1957.

g) Eggs - Napa County, 1957.

h) Field Corn - Stanislaus County, 1959.

i) Freestone Peaches - Riverside County, 1956.

j) Muskat Grapes - Kings County, 1958.

k) Navel Oranges - San Bernardino County, 1958-59.

l) Plums - Tehama County, 1957.

m) Strawberries - Stanislaus County, 1958.

n) Thompson Grapes - Madera County, 1957.

o) Tokay Grapes - San Joaquin County, 1959.

p) Valencia Oranges - Eastern Los Angeles County, 1957.

q) Walnuts - Tehama County, 1959.

STATE OF CALIFORNIA

OFFICE OF LEGISLATIVE COUNSEL

COPY

Sacramento, California
January 22, 1960

Summary of California Child Labor Laws:
Employment in Agriculture - #1437

The major provisions of California law relating to the employment of minors are contained in Chapters 6 and 7 (Sections 12101 et seq.) of Division 9 of the Education Code and Part 4 (Secs. 1171 et seq.) of Division 2 of the Labor Code. Other provisions are found in the regulations of the Department of Industrial Relations. These provisions are analyzed below.

I. School Attendance. One of the primary restrictions upon the employment of minors is the requirement that, with certain limited exceptions, minors between the ages of 8 and 16 years must attend full-time school (Ed. C. 12101). Furthermore, minors between the ages of 16 and 18 years who have not graduated from high school or the equivalent thereof, and who are not in full-time school, must, unless exempted because of hardship, attend part-time classes for at least 4 hours a week if they are employed regularly (Ed. C. 12551), or for at least 3 hours a day when not regularly employed (Ed. C. 12553). Such minors may not be employed or permitted to work unless they have permits to work issued by the proper school officials (Ed. C. 12304, 12701; Lab. C. 1290), except in certain instances (which will be discussed later) in which a work permit is not required.

II. Permits to Work.

A. Full-Time Permits. A permit to work during school hours may be issued to a minor between the ages of 16 and 18 years who is subject to compulsory part-time school attendance requirements (Ed. C. 12651).

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A work permit may be issued to a minor who is 16 or 17 years of age and who is regularly enrolled in a high school or junior college work experience education course as provided in Sections 8351 to 8357, inclusive, of the Education Code (Ed. C. 12253).

A permit may also be issued to a 15-year-old minor who has completed the equivalent of a seventh grade education (Ed. C. 12252), and to a 14 or 15-year-old minor who has graduated from the eighth grade and whose family is in extreme financial need because of the death, disability, or desertion of the minor's father (Ed. C. 12254). No permit to work during school hours may be issued to a 14 or 15-year-old minor unless it is shown that he has a promise of definite employment and that he is physically fit to undertake the work specified (Ed. C. 12261), and such minors must attend part-time classes for at least 4 hours a week (Ed. C. 12266, 12251). It might also be mentioned that employers employing such a 14 or 15-year-old minor must obtain a permit to employ from the proper school officials (Ed. C. 12304).

The person authorized to issue permits to work may issue to any employer a permit to employ any minor who has been granted a permit to work, or who has been assigned to a vocational course in a place of employment, or to a work experience education course as provided in Sections 8351 to 8357, inclusive, of the Education Code (Ed. C. 12301, 12302, 12303).

B. Vacation and Part-Time Work Permits. A permit to work outside of school hours may be issued to a minor over 14 years of age (Ed. C. 12259), and a permit to work during school vacations and holidays (which would include Saturdays and Sundays) may be issued to a minor over 12 and under 18 years of age (Ed. C. 12258).

III. Exceptions to Work Permit Requirement. There are certain exceptions to the requirement that a minor under 18 years of age must either have graduated from high school or hold a work permit in order to work.

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A. Work for Parents or Guardians. One of the important exceptions is that a minor is not required to hold a work permit for agricultural or domestic labor performed outside of school hours for his parent or guardian, and performed upon or in connection with the premises owned, operated, or controlled by the parent or guardian (Ed. C. 12269; Lab. C. 1394(b)).

B. Survey Work. No permit is required for employment of a minor by engineers engaged in survey work as part of a survey crew in the field (Lab. C. 1394(c)).

IV. Hours of Employment. Turning now to the restrictions upon the hours of employment of minors:

A. Number of Hours. Generally speaking, minors under the age of 18 years cannot be employed for more than 8 hours in any one day nor for more than 48 hours in one week (Lab. C. 1391), and time required to be spent in school must be included in the 8-hour day limitation (Ed. C. 12266 and 12704). However, this restriction on the number of hours which minors may work does not apply to minors over 16 years of age employed in agricultural or domestic labor (Lab. C. 1394(a); Ed. C. 12704).

B. Spread of Hours. Another restriction is that minors under the age of 18 years cannot be employed before 5 o'clock in the morning or after 10 o'clock in the evening (Lab. C. 1391).

V. Occupational Restrictions. In addition to the restrictions on the employment of minors already mentioned, there are numerous occupational restrictions. Generally speaking, the restrictions relate to occupations which would be detrimental or injurious to the minor's health, safety, or morals.

The following are the occupational restrictions prescribed by law:

1. No minor under the age of 16 years may be employed or permitted to work in any capacity in:

(a) Adjusting any belt to any machinery;

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(b) Sewing or lacing machine belts in any workshop or factory; or

(c) Oiling, wiping, or cleaning machinery, or assisting therein (Lab. C. 1292).

2. No minor under the age of 16 years may be employed or permitted to work in any capacity in the operation of the following machines:

(a) Circular or bandsaws; wood shapers; wood jointers; planers, sandpaper or wood polishing machinery; wood turning or boring machinery.

(b) Picker machines or machines used in picking wool, cotton, hair, or other material; carding machines; leather-burnishing machines; laundry machines.

(c) Printing presses of all kinds; boring or drill presses; stamping machines used in sheet metal and tinware work, in paper and leather manufacturing, or in washer and nut factories; metal or paper-cutting machines; paper-lace machines.

(d) Corner-staying machines in paper-box factories; corrugating rolls, such as used in corrugated paper, roofing, or washboard factories.

(e) Dough brakes or cracker machinery of any description.

(f) Wire or iron straightening or drawing machinery; rolling-mill machinery; power punches or shears; washing, grinding, or mixing machinery; calendar rolls in paper and rubber manufacturing; steam boilers; or in proximity to any hazardous or unguarded belts, machinery, or gearing (Lab. C. 1293).

3. No minor under the age of 16 years may be employed or permitted to work in any capacity:

(a) Upon any railroad, whether steam, electric, or hydraulic.

(b) Upon any vessel or boat engaged in navigation or commerce within the jurisdiction of this State.

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(c) In, about, or in connection with any processes in which dangerous or poisonous acids are used in the manufacture or packing of paints, colors, white or red lead, or in soldering.

(d) In occupations causing dust in injurious quantities; in the manufacture or use of dangerous or poisonous dyes; in the manufacture or preparation of compositions with dangerous or poisonous gases; or in the manufacture or use of compositions of lye in which the quantity thereof is injurious to health.

(e) On scaffolding; in heavy work in the building trades; in any tunnel or excavation; or in, about, or in connection with any mine, coal breaker, coke oven, or quarry.

(f) In assorting, manufacturing, or packing tobacco.

(g) In operating any automobile, motor car, or truck.

(h) In any bowling alley or pool or billiard room.

(i) And, as a general restriction, in any occupation dangerous to the life or limb, or injurious to the health or morals of such minor (Lab. C. 1294, 1308).

In addition to the statutory occupational restrictions, the Division of Labor Law Enforcement of the Department of Industrial Relations is authorized by law, after a hearing, to determine that a particular occupation is sufficiently dangerous or injurious to minors under 16 years of age to justify their exclusion therefrom; and upon such determination no such minor may be employed or permitted to work in such occupation (Lab. C. 1296). Pursuant to this authority, the Division of Labor Law Enforcement has by regulation determined and declared that no minors under 16 years of age may be employed or permitted to work:

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(a) In any occupation where they come in close proximity to moving machinery;

(b) In building or construction work of any kind;

(c) In the delivery of goods, merchandise, commodities, papers, or packages from motor vehicles; (8 Cal. Adm. Code 11701, 11702)

(d) In any occupation in or about any plant manufacturing explosives or articles containing explosive components; or

(e) In any occupation in the transportation and sale of explosives or articles containing explosive components. (8 Cal. Adm. Code 11703, 11704)

VI. Conclusion. Summarizing the statutory restrictions upon the employment of minors: the principal restrictions are the compulsory education laws; the requirement, in general, of work permits and, in the case of the entertainment field, consent of the Labor Commissioner; the restrictions on number of hours which a minor may work and on the hours of the day in which a minor may work; and the restrictions on the employment of minors in certain hazardous or detrimental occupations.

Ralph N. Kleps
Legislative Counsel

By
Richard T. Wilsdon
Deputy Legislative Counsel

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California Legislature

SENATE

HUGH M. BURNS
President Pro Tempore

Chairman
Senate Rules Committee

November 17, 1959

Senator James A. Cobey, Chairman
Fact Finding Committee on Labor and Welfare
State Capitol
Sacramento

Dear Jim:

At the meeting on November 6 the Rules Committee assigned the subject matter of the following bills to the Committee on Labor and Welfare for study:

...
...
AB 1663 Labor and Welfare

Copies of these measures are enclosed for your convenience.

Sincerely yours,

(signed)

HUGH M. BURNS

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CALIFORNIA LEGISLATURE, 1959 REGULAR (GENERAL) SESSION

ASSEMBLY BILL No. 1663

Introduced by Messrs. Burton, Cusanovich, Elliott, and McMillan

February 25, 1959

REFERRED TO COMMITTEE ON INDUSTRIAL RELATIONS

An act to add Section 1094.5 to the Unemployment Insurance Code, relating to the release of information concerning foreign workers.

The people of the State of California do enact as follows:

SECTION 1. Section 1094.5 is added to the Unemployment Insurance Code, to read:

1094.5. The director may at the request of any interested person release any information in his possession relating to statements of need for, or authorizations for the utilization of, foreign workers pursuant to Public Law 78, Eighty-second Congress, as amended.

LEGISLATIVE COUNSEL'S DIGEST

A. B. 1663 as introduced, Burton (Ind. R.). Unemployment insurance.

Adds Sec. 1094.5, U. I. C.

Specifies that Director of Employment may, at the request of any interested person, release any information in his possession relating to statements of need for, or authorizations for utilization of, foreign workers under federal legislation relating to the supplying of agricultural workers from Mexico.

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STATE OF CALIFORNIA

OFFICE OF LEGISLATIVE COUNSEL

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Sacramento, California
January 15, 1960

Honorable James A. Cobey
P. O. Box 1229
Merced, California

Confidential Information and Records
Department of Employment - #1077

Dear Senator Cobey:

QUESTION

In connection with Section 1094 of the Unemployment Insurance Code, which imposes the condition of confidentiality upon certain information obtained by the Director of Employment from employers pursuant to the provisions of the code, you ask whether information relating to the program for employment of Mexican Nationals in agriculture under Public Law 78 (81st Congress) is also confidential.

OPINION

In our opinion, for the purpose of enabling the Director of Employment to carry out his duties under Public Law 78, and to the extent necessary to effect that end, information otherwise confidential under Section 1094 would be excepted from those conditions.

ANALYSIS

Public Law 78 of the 81st Congress (U.S.C.A., Title 7, Secs. 1461 to 1468, inclusive, as later amended), and the Bracero Treaty (Migrant Labor Agreement of 1951) establish a comprehensive program whereby Mexican Nationals

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are provided and utilized for the performance of agricultural work in the United States.

For purposes of carrying out the federal legislation, the Secretary of Labor is authorized to enter into agreements with federal and state agencies pursuant to which the facilities and services of such agencies may be utilized--with the agencies to be reimbursed for expenses incurred (U.S.C.A., Title 7, Sec. 1466).

No workers may be made available in any particular area unless the Secretary of Labor has made a determination and certification of need, based, generally, upon the supply of able domestic workers, the effect which employment of Mexican Nationals will have upon the wage rates and working conditions in the area, and efforts which have been made to recruit domestic workers. These responsibilities are carried out by consultation with agricultural employers and workers in the area, and information concerning certifications based upon unavailability of able domestic workers and possible effects on domestic wages and working conditions in the area must be posted in local public employment offices and such other public places as the Secretary of Labor may require. (U.S.C.A., Title 7, Sec. 1463)

It has been stated that a dominant purpose of Public Law 78 is to protect domestic workers from competition with cheap foreign labor and to make certain notice is given to potential American workers so that if conditions summarized in a certification do not exist, corrective measures may be taken to prevent their displacement (United States v. Morris, 252 Fed. 2d 643).

We are informed that the Director of Employment has entered into an agreement with the Secretary of Labor whereby facilities and services of the department are utilized for purposes of this federal legislation.

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Section 1094 of the Unemployment Insurance Code provides that "information furnished to the director by an employing unit, pursuant to this division [the Unemployment Insurance Code], shall be for the exclusive use and information of the director in discharge of his duties and shall not be open to the public ... ." The section permits such information to be tabulated and published in statistical form.

Neither Public Law 78 or the regulations implementing it (C.F.R., Title 20, Part 612) contain anything expressly dealing with the effect of the provisions upon a state confidentiality statute applicable to an agency with which an agreement has been entered into by the Secretary of Labor. However, the Federal Constitution, federal laws enacted pursuant thereto, and treaties made under the authority of the United States are the supreme law of the land (Constitution of the United States, Art. VI); and it is well settled that where Congress has enacted legislation authorized by its granted powers and where, at the same time, a state has a conflicting rule, the federal legislation prevails over that of the state (Case v. Bowles, 327 U.S. 92, 90 L. Ed. 552; and see, generally, discussion at 11 Am. Jur. 649 et seq.). Where problems in the sphere of dual sovereignty are involved, legislation should be given a construction which permits both to function with a minimum of interference each with the other (Metcalf v. Mitchell, 269 U.S. 514, 70 L. Ed. 384; State Board of Equalization v. Goggin, 191 Fed. 2d 726). We shall assume that Public Law 78 is legislation within the authority of Congress to enac t and that no problem of interference with the reserved sovereign powers of the States is involved.

It would seem clear that insofar as the Director of Employment acts as an agency of the Federal Government in administering a federal statute which is in conflict with state legislation otherwise applicable to the department, the federal law will, to the extent necessary to insure the efficacy of its provisions, supersede the State legislation.

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It is our opinion, therefore, that information which would otherwise be confidential under Section 1094 of the Unemployment Insurance Code, would for the purpose of enabling the Director of Employment to carry out his duties under Public Law 78, and to the extent necessary to effect that end, be excepted from the confidentiality requirements.

Very truly yours,

Ralph N. Kleps
Legislative Counsel

By
Ernest H. Kunzi
Deputy Legislative Counsel

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State of California
DEPARTMENT OF EMPLOYMENT
800 Capitol Avenue
Sacramento 14, California

December 2, 1959

Honorable James A. Cobey, Chairman
Senate Fact Finding Committee
on Labor and Welfare
State Capitol
Sacramento 14, California

Dear Senator Cobey:

This will acknowledge your letter of November 30, 1959, in which you inquire as to what position, if any, the Department of Employment would take with respect to AB 1663 (Burton, et al).

Section 1094 of the Unemployment Insurance Code requires that information furnished to the Director by an employing unit shall be confidential. AB 1663 would have provided an exception to the confidentiality rule in so far as information was furnished to the Director relating to the Mexican National program under Public Law 78.

Several conferences were held with representatives of the Secretary of Labor who took the position that the Secretary was the principal and the Department was the agent in the administration of the Mexican National program. The Federal representatives asserted that in their view information relating to the Mexican National program was not confidential and that Section 1094, to this extent, was pre-empted by Public Law 78. We thereupon conferred with the Attorney General, who concurred in this conclusion.

As a result of the position taken by the Secretary of Labor and with the approval of the Attorney General, we are no longer regarding information concerning the Mexican National program to be confidential under the provisions of Section 1094. Under these circumstances it would seem that the enactment of AB 1663 would serve no useful purpose.

Please do not hesitate to call on me if there is anything further you or your Committee desire in this or any other matter.

Respectfully,

(signed)

IRVING H. PERLUSS, DIRECTOR

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UNITED STATES DEPARTMENT OF JUSTICE

IMMIGRATION AND NATURALIZATION SERVICE
Southwest Region
San Pedro, California
January 8, 1960

Please refer to this file no.
SW 214h/34

Dear Mr. Oppmann:

Reference is made to our telephone conversation yesterday concerning your request for statistical data relating to the number of United States citizens and the number of aliens who enter the United States daily across the Mexican Border for employment in agriculture.

I have checked into this matter and have been advised that our statistical gathering procedure does not include the information you wish. Therefore, we are unable to furnish authentic statistics concerning these two items.

Our records do, however, reveal that there is a total of 1,402 Japanese temporary workers, 23 Filipino temporary workers and 249 Sheepherders now employed in the State of California in agriculture. These workers were admitted pursuant to Section 101 (A)(15)(H2) of the Immigration and Nationality Act (PL-414).

The admission of foreign temporary workers into the United States is predicated upon a finding by the U.S. Department of Labor through the State Employment Agencies that domestic labor is unavailable at the time and place needed to perform the duties.

If I can be of further assistance please get in touch with me.

Sincerely yours,

(signed)

A. D. Sneed, Assistant Regional
Commissioner, Special Projects

Mr. Andrew Oppmann, Executive Secretary
Senate Fact Finding Committee on Labor and Welfare
413 State Capitol
Sacramento 14, California

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U.S. DEPARTMENT OF LABOR
Bureau of Employment Security

El Centro, California
January 20, 1960

Honorable James A. Cobey, Chairman
Senate Fact Finding Committee
on Labor and Welfare
413 State Capitol
Sacramento, California

ATTENTION: Andrew Oppmann
Executive Secretary

Honorable Sir:

As Manager of the Reception Center of the U.S. Department of Labor located at El Centro, California, I have the responsibility of processing the contracts for Mexican Agricultural Workers used in several states, including Washington, Oregon and Idaho.

I have been requested by our Regional Office to furnish you the figures covering the number of such Mexican workers who were contracted at this Reception Center, and other centers, to work in the above mentioned states for each year beginning January 1, 1955. Those figures are as follows: -

		1955	1956	1957	1958	1959 (Nov. 30)
WASHINGTON -	El Centro	1187	1488	1102	--	--
	Nogales	--	36	--	--	--
	TOTALS	1187	1524	1102	--	--
OREGON -	El Centro	731	1182	614	199	324
	Nogales	--	--	--	--	--
	TOTALS	731	1182	614	199	324
IDAHO -	El Centro	323	364	249	--	--
	Nogales	--	172	105	--	--
	TOTALS	323	536	354	--	--

These figures are recorded in the "Summary of Reception Centers and Regional Office Activities under Public Law 78" which is prepared in our Washington Office annually.

Sincerely yours,

(signed)

WALTER G. FRANCIS, Manager

WGF/mtg

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U.S. DEPARTMENT OF LABOR
Bureau of Employment Security

Regional Office
310 U.S. Court House
Seattle 4, Washington

January 20, 1960

Honorable James Cobey, Chairman
Senate Committee on Labor and Welfare
California State Senate
Room 410, State Capitol
Sacramento, California

ATTENTION: Mr. Andrew Oppmann, Jr.

Dear Senator Cobey:

Pursuant to the request of Mr. Maurice P. McCaffery, Principal Counsel, California Department of Employment through Mr. Kenneth C. Robertson, Regional Attorney, U.S. Department of Labor, San Francisco, California, I am submitting a report as follows:

I am the Regional Farm Placement Representative for Region XI of the U.S. Department of Labor, Bureau of Employment Security, Room 310 U.S. Court House, Seattle, Washington.

Since 1955 the number of foreign workers brought into this region for agricultural work over and above the Mexican Nationals that have been reported by Mr. Walter Francis, Manager Bracero Reception Center, El Centro, California, has been ninety-eight (98) British West Indians who were brought into Eastern Washington State on July 15 and 16, 1959. It was necessary to authorize the use of these B.W.I. workers to save the harvest of green peas. These workers were employed as pea pitchers and were used to pitch the heavy pea vines into the vining machines. None of these B.W.I. workers were employed for more than nine (9) shifts.

The need for the B.W.I. workers was brought about by the exceptionally heavy crop of green peas during last year and by unseasonably hot weather at the peak of the harvest.

The growers concerned were providing transportation for domestic workers from the population centers of Spokane, Seattle and Tacoma, Washington and for the brief period described the movement of the domestic workers to the job could not keep up with the ripening of the green peas. One of the companys growing peas requested authorization which was granted to obtain the B.W.I.'s from Belvidere, Illinois. This company transported the B.W.I.'s from Illinois to the State of Washington and return by chartered airplane.

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We have the records pertaining to the employment of the B.W.I.'s on file in the office.

I might also call your attention to the fact that about three hundred fifty Basque Sheepherders are employed in this region. These foreign workers are confined to the wool growing industry. About 80% of these Basque Sheepherders are imported for wool growers in Idaho. Region XI as you may know includes the State of Alaska, Idaho, Oregon and Washington.

We are glad to cooperate with you and if we can be of further assistance, please advise.

Very truly yours,

Clinton A. Johnson
Regional Director

By (signed)
Joseph G. Beeson

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WILLIAM E. WARNE
DIRECTOR

Edmund G. Brown
Governor

SACRAMENTO 14 (HDQRS. OFFICE)
1220 N STREET
SAN FRANCISCO 5
EMBARCADERO AT MISSION
LOS ANGELES 12
900 MIRROR BUILDING

C
O
P
Y

STATE OF CALIFORNIA

Department of Agriculture

Sacramento
January 12, 1960

Honorable James A. Cobey, Chairman
Senate Fact Finding Committee on Labor
and Social Welfare
P. O. Box 1229
Merced, California

Dear Senator Cobey

Enclosed is a report by Dr. E. W. Braun relative to the volume (in terms of dollars) of California crops that are covered by marketing orders and similar marketing programs. This material is being supplied in accordance with the request that you made of me at the time that your Committee met in Sacramento on November 16.

In his transmittal letter, which is also enclosed, Dr. Braun has certified that the information contained in the tabulations is true and correct to the best of his knowledge and belief.

Very sincerely yours

Chas. V. Dick
Deputy Director

CVD MJ
Enclosure

Chas. V. Dick

January 12, 1960

E. W. Braun

Sacramento

Tabulations Relating to California State Marketing Orders and Programs and Federal Marketing Orders Operating in California.

Based upon a request made of you by Senator Cobey, Chairman of the Senate Fact Finding Committee on Labor and Welfare, the Bureau of Markets has prepared a tabulation of California State Marketing Orders and Programs classified according to the statutes under which the programs are authorized and made effective, the types of regulatory authorizations contained in each commodity program and the farm value from marketings of the commodity based upon 1958 data. Data for 1959 have not been used because in some of the classifications as to utilization 1959 data are not yet available. A similar tabulation has been prepared with respect to Federal marketing orders operating in California.

The two tabulations attached are entitled:

California State Marketing Orders and Programs.

Federal Marketing Orders Operating in California.

The information contained in the above tabulations is true and correct to the best of my knowledge and belief.

E. W. Braun, Chief
Bureau of Markets

EWB:jd
Attachments

CALIFORNIA STATE MARKETING ORDERS AND PROGRAMS

Statute and Commodity	Authorization: Quantity Regulations	Grade or Size Regulations	Advertising and Promotion	Research or Survey Projects	Unfair Trade Practices	1958 Farm Value
California Marketing Act.						
Early Apples	X	X*	X	X		$ 800,000
Fresh Asparagus	X	X	X	X*		9,195,000
Processing Asparagus	X		X*	X*		11,286,000
Bush Berries			X*	X*		2,502,000
Cantaloupes	X*	X*	X*	X*		17,381,000
Dried Figs		X	X	X*	X	4,501,000
Grapefruit		X*	X	X		2,786,000
Extracted Honey			X*	X*	X	5,724,000 1/
Dry-Pack Lettuce	X	X*	X	X		2/
Summer Head Lettuce	X*	X		X*	X	41,167,000
Winter Head Lettuce	X*	X		X		23,206,000
Lima Beans	X	X	X	X*		11,476,500
Olallie Berries			X*	X*		600,000
Canned Olives	X*	X*	X*	X*		4,866,000
Cling Peaches	X*	X*	X*	X*	X*	31,011,000
Fresh Peaches		X*	X*	X*		3,753,000
Fresh Bartlett Pears		X*				(1,665,000) 3/
Bartlett Pears (Prom.)			X*	X*		6,980,540
Canning Fall and Winter Pears		X*				1,838,700
Fresh Fall and Winter Pears	X	X*	X*			683,700
Hardy Pears (Prom.)			X*	X		4/
Fresh Plums		X*	X*	X		2,249,000
Delta White Potatoes	X	X	X	X*		2,430,500
Long White Potatoes		X	X	X*		32,345,000
Poultry and Turkey Improvement (Agreement)		X*				34,000,000 5/
Dried Prunes			X*	X*		37,440,000
Raisins			X*	X*		58,590,000
Strawberries			X*	X*		33,562,000
Turkey (Prom.)			X*	X		57,967,000
Wine			X*	X*		71,276,000
				Subtotal		$ 509,616,940
Agricultural Producers Marketing Act.						
Canning Bartlett Pears		X*	X*	X*		18,690,000
Brussels Sprouts	X*		X*			4,358,000
				Subtotal		$ 23,048,000
Specific Legislation.						
California Beef Council Law			X*	X*		405,487,000 6/
Dairy Industry Advisory Board Act			X*	X*		348,153,000 7/
				Subtotal		$ 753,640,000

Grand Totals:

Excluding items under specific legislation	$ 532,664,940
Including items under specific legislation	1,286,304,940
All California Agricultural Production	2,852,792,000

* Authorization used in 1959

1/ Comb and Extracted

2/ Included in Summer Head Lettuce

3/ Included in value of Bartlett Pears (Prom.) Sum shown separately for information purposes only.

4/ Included in Canning Fall and Winter Pears

5/ Hatching Eggs

6/ All Cattle and Calves

7/ Milk and Milk Products

Prepared by Bureau of Markets

FEDERAL MARKETING ORDERS OPERATING IN CALIFORNIA

Commodity	Authorization: Quality Regulations	Authorization: Volume Controls	Authorization: Research & Market Development	Authorization: Unfair Trade Practices	Farm Value 1958
Almonds		X			$ 15,286,000
Valencia Oranges	X	X			49,494,000
Navel Oranges	X	X			49,111,400
(Fresh Bartlett Pears	X	X			6,980,540
(Fresh Elberta Peaches	X			X	~~1,628,800~~
(Fresh Plums	X				8,102,500
Nectarines	X		X		4,619,000
Fall & Winter Pears	X	X			486,000
Tokay Grapes	X	X	X	X	3,991,600
Fresh Lemons	X	X			28,877,000
Fresh Grapefruit	X				2,786,000
Irish Potatoes 1/	X		X		4,976,000 2/
Dried Figs	X	X			4,501,000
Walnuts	X	X			30,989,000
Dried Raisins	X	X	X		58,590,000
Dried Prunes	X	X			37,440,000
Dates	X	X	X		2,136,000
				Total	$ 309,994,040
				All California Agricultural Production	$2,852,792,000

1/ Modoc and Siskiyou Counties only.
2/ Unofficial estimate.

Value reflects that portion of commodity regulated under the specified marketing order.

Prepared by Bureau of Markets

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CALIFORNIA CROP AND LIVESTOCK REPORTING SERVICE

United States
Department of Agriculture

State of California
Department of Agriculture

P.O. Box 1258
Sacramento, 6
January 22, 1960

Mr. Andrew W. Oppmann
Executive Secretary
413 State Capitol
Sacramento 14, California

Dear Andy:

The following tables are attached:

TABLE 1 California Crops: Acreage of principal crops, by counties, 1958.
TABLE 2 California Field Crops: Harvested acreage of principal crops by counties, 1958.
TABLE 3 California Fruits and Nuts: Total acreage of principal crops by counties, 1958.
TABLE 4 California Vegetables and Melons: Harvested acreage of principal crops, by counties, 1958.

These tables present the estimates of this office of individual crop acreages by counties for 1958 which you requested as supplemental information to my report presented to the Senate Fact Finding Committee on Labor and Welfare on November 16, 1959.

Also attached are 12 maps of California showing the distribution by counties of selected crops and groups of crops for 1958. These are based on the acreages presented in the tables listed above.

Very truly yours,

(signed)

W. Ward Henderson
Agricultural Statistician, In Charge

WWH:ad
Enclosures: 38

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TABLE 1
CALIFORNIA CROPS: Acreage of principal crops, by counties, 1958

County	Field Crops	Fruits & Nuts	Vegetables & Melons	Total
Del Norte	3,400	16	—	3,416
Humboldt	25,380	222	40	25,642
Mendocino	22,855	10,351	50	33,256
Shasta	27,200	1,395	—	28,595
Siskiyou	119,400	78	410	119,888
Trinity	3,500	129	—	3,629
Lassen	66,900	67	—	66,967
Modoc	147,100	12	140	147,252
Plumas	16,000	16	—	16,016
Alameda	44,070	7,718	12,570	64,358
Contra Costa	45,900	32,969	15,220	94,089
Lake	14,255	15,112	200	29,567
Marin	13,700	131	200	14,031
Monterey	178,250	8,710	90,370	277,330
Napa	31,350	21,027	550	52,927
San Benito	70,845	12,834	5,780	89,459
San Francisco	---	---	---	---
San Luis Obispo	237,450	10,066	13,610	261,126
San Mateo	20,100	336	4,215	24,651
Santa Clara	40,810	78,943	16,430	136,183
Santa Cruz	7,940	15,535	10,390	33,865
Sonoma	64,500	44,614	495	109,609
Butte	156,550	34,408	2,630	193,588
Colusa	164,000	16,720	360	181,080
Glenn	140,780	10,419	40	151,239
Sacramento	184,580	11,284	14,540	210,404
Solano	111,950	19,639	12,480	144,069
Sutter	200,015	46,682	7,720	254,417
Tehama	78,240	14,547	110	92,897
Yolo	220,850	16,752	38,150	275,752
Yuba	42,875	15,442	1,780	60,097
Fresno	648,580	210,315	22,610	881,505
Kern	584,080	34,304	19,000	637,384
Kings	353,550	9,908	570	364,028
Madera	220,520	31,409	310	252,239
Merced	225,400	47,822	21,430	294,652
San Joaquin	279,270	98,329	114,985	492,584
Stanislaus	207,435	73,564	30,790	311,789
Tulare	409,940	156,729	7,630	574,299
Alpine	950	6	—	956
Amador	5,350	1,210	—	6,560
Calaveras	7,100	1,101	—	8,201
El Dorado	2,900	5,297	—	8,197
Inyo	5,300	114	—	5,414
Mariposa	2,500	238	—	2,738
Mono	4,000	3	—	4,003
Nevada	4,000	1,077	—	5,077
Placer	30,650	17,106	—	47,756
Sierra	9,700	9	—	9,709
Tuolumne	3,750	586	—	4,336
Imperial	394,000	1,970	54,070	450,040
Los Angeles	139,000	27,523	11,925	178,448
Orange	61,080	44,137	21,360	126,577
Riverside	235,180	59,247	33,910	328,337
San Bernardino	51,000	57,930	3,070	112,000
San Diego	77,070	31,604	12,000	120,674
Santa Barbara	91,550	14,579	22,120	128,249
Ventura	54,900	63,099	33,570	151,569
STATE	6,609,500	1,435,390	657,830	8,702,720

TABLE 2
CALIFORNIA FIELD CROPS: Harvested Acreage
of Principal Crops, by Counties, 1958

County	Barley	Beans	Corn	Cotton	Flaxseed	Grain Sorghum	Hay - Alfalfa	Hay - Other
Del Norte	—	—	100	—	—	—	—	3,300
Humboldt	400	—	230	—	—	—	1,300	23,000
Mendocino	1,800	—	320	—	—	—	3,200	15,600
Shasta	2,800	—	350	—	—	—	6,400	15,500
Siskiyou	35,000	—	—	—	—	—	37,100	24,100
Trinity	—	—	—	—	—	—	800	2,600
Lassen	6,500	—	100	—	—	—	12,300	41,800
Modoc	35,000	—	—	—	—	—	20,700	69,500
Plumas	200	—	—	—	—	—	1,000	14,100
Alameda	15,000	200	100	—	—	400	2,000	21,800
Contra Costa	14,500	500	2,800	—	—	1,500	3,600	20,000
Lake	2,400	—	550	—	—	—	3,300	7,000
Marin	500	—	100	—	—	—	—	9,900
Monterey	67,000	36,300	450	—	—	—	16,100	22,700
Napa	6,700	—	650	—	—	—	1,500	13,500
San Benito	35,000	200	230	215	—	200	3,900	24,500
San Francisco	—	—	—	—	—	—	—	—
San Luis Obispo	87,000	1,600	1,400	—	—	300	8,600	37,900
San Mateo	3,000	—	—	—	4,000	—	—	6,600
Santa Clara	6,400	—	140	—	—	—	3,900	26,000
Santa Cruz	500	1,800	230	—	—	—	800	4,000
Sonoma	1,500	—	1,350	—	—	—	1,700	44,500
Butte	33,000	23,000	3,200	—	—	14,400	8,200	15,100
Colusa	60,000	4,500	1,900	—	—	18,500	10,700	4,800
Glenn	53,000	1,900	7,200	—	—	10,500	12,600	19,600
Sacramento	22,000	4,200	34,500	—	—	11,300	18,400	37,300
Solano	36,000	2,400	6,500	—	—	7,200	9,400	14,000
Sutter	40,000	39,500	3,400	—	—	27,900	8,900	6,500
Tehama	39,000	600	4,400	—	—	3,100	7,800	14,500
Yolo	84,000	3,900	8,600	—	—	18,500	38,800	9,900
Yuba	7,500	2,400	900	—	—	1,700	5,500	7,100
Fresno	246,000	3,200	17,500	181,000	160	29,500	100,500	20,900
Kern	117,000	7,000	14,700	183,600	80	40,800	91,400	15,400
Kings	182,000	2,000	7,300	90,300	470	10,000	48,700	6,700
Madera	84,000	2,400	20,200	40,200	—	6,700	43,900	6,000
Merced	45,000	4,500	14,200	27,000	—	10,500	80,000	19,000
San Joaquin	64,000	24,500	29,900	—	—	15,800	68,600	24,000
Stanislaus	25,000	39,500	23,000	55	—	6,100	72,200	28,700
Tulare	63,000	6,000	12,900	142,600	—	19,300	96,200	20,400
Alpine	—	—	—	—	—	—	100	700
Amador	1,000	—	100	—	—	—	300	3,300
Calaveras	700	—	—	—	—	—	150	5,600
El Dorado	400	—	—	—	—	—	100	2,400
Inyo	100	—	—	—	—	—	2,150	3,000
Mariposa	1,000	—	100	—	—	—	100	1,100
Mono	100	—	—	—	—	—	1,350	2,500
Nevada	100	—	—	—	—	—	100	3,800
Placer	2,600	—	100	—	—	500	950	5,300
Sierra	400	—	—	—	—	—	1,600	7,400
Tuolumne	400	—	—	—	—	—	100	3,100
Imperial	97,000	—	3,500	46,700	40,100	18,000	138,500	3,200
Los Angeles	32,000	4,100	2,500	190	—	1,900	51,500	21,600
Orange	22,000	25,200	1,100	—	—	—	4,500	5,000
Riverside	94,000	5,500	4,400	19,900	190	3,800	42,700	20,600
San Bernardino	7,000	5,000	2,300	40	—	700	18,600	9,200
San Diego	35,000	6,300	1,200	200	—	800	8,600	21,800
Santa Barbara	24,000	19,800	3,200	—	—	100	8,600	18,200
Ventura	9,500	20,000	100	—	—	—	5,000	16,400
STATE	1,849,000	298,000	238,000	732,000	45,000	280,000	1,135,000	872,000

TABLE 2
CALIFORNIA FIELD CROPS: Harvested Acreage
of Principal Crops, by Counties, 1958 -- Continued

County	Hops	Oats	Potatoes	Rice	Sugar Beets	Sweet Potatoes	Wheat	Total Field Crops
Del Norte	—	—	—	—	—	—	—	3,400
Humboldt	—	100	250	—	—	—	100	25,380
Mendocino	135	1,400	—	—	—	—	400	22,855
Shasta	—	1,400	—	—	—	—	750	27,200
Siskiyou	—	4,900	4,700	—	—	—	13,600	119,400
Trinity	—	—	—	—	—	—	100	3,500
Lassen	—	1,600	—	—	—	—	4,600	66,900
Modoc	—	3,500	5,400	—	—	—	13,000	147,100
Plumas	—	400	—	—	—	—	300	16,000
Alameda	—	1,300	120	—	2,450	—	700	44,070
Contra Costa	—	1,200	—	—	600	—	1,200	45,900
Lake	155	600	—	—	—	—	250	14,255
Marin	—	2,800	—	—	—	—	400	13,700
Monterey	—	1,900	3,250	—	17,050	—	13,500	178,250
Napa	—	8,500	—	—	—	—	500	31,350
San Benito	—	400	1,700	—	3,400	—	1,100	70,845
San Francisco	—	—	—	—	—	—	—	—
San Luis Obispo	—	8,500	750	—	1,400	—	90,000	237,450
San Mateo	—	6,200	200	—	—	—	100	20,100
Santa Clara	—	900	100	—	3,220	—	150	40,810
Santa Cruz	—	100	100	—	410	—	—	7,940
Sonoma	450	14,900	—	—	—	—	100	64,500
Butte	—	7,100	—	44,300	2,350	—	5,900	156,550
Colusa	—	700	—	50,200	7,200	—	5,500	164,000
Glenn	—	1,600	—	31,100	1,080	—	2,200	140,780
Sacramento	3,380	23,400	—	8,200	9,600	—	12,300	184,580
Solano	—	14,200	—	—	11,850	—	10,400	111,950
Sutter	465	7,600	—	45,000	4,250	—	16,500	200,015
Tehama	—	6,600	—	—	440	—	1,800	78,240
Yolo	350	800	—	21,500	24,600	—	9,900	220,850
Yuba	965	6,300	—	8,650	560	—	1,300	42,875
Fresno	—	4,700	3,300	18,200	7,200	1,820	14,600	648,580
Kern	—	1,200	61,000	3,400	7,650	150	40,700	584,080
Kings	—	2,000	900	250	680	—	2,250	353,550
Madera	—	2,100	2,150	1,500	2,000	70	9,300	220,520
Merced	—	5,300	—	5,900	5,400	5,200	3,400	225,400
San Joaquin	—	13,600	6,500	4,600	17,000	1,370	9,400	279,270
Stanislaus	—	7,900	—	1,500	2,250	530	700	207,435
Tulare	—	5,200	9,380	1,300	2,900	460	30,300	409,940
Alpine	—	100	—	—	—	—	50	950
Amador	—	400	—	—	—	—	250	5,350
Calaveras	—	600	—	—	—	—	50	7,100
El Dorado	—	—	—	—	—	—	—	2,900
Inyo	—	—	—	—	—	—	50	5,300
Mariposa	—	100	—	—	—	—	100	2,500
Mono	—	—	—	—	—	—	50	4,000
Nevada	—	—	—	—	—	—	—	4,000
Placer	—	7,500	—	3,400	—	—	10,300	30,650
Sierra	—	100	—	—	—	—	200	9,700
Tuolumne	—	100	—	—	—	—	50	3,750
Imperial	—	700	—	—	44,000	—	2,300	394,000
Los Angeles	—	2,300	1,500	—	10	—	21,400	139,000
Orange	—	900	—	—	1,190	540	650	61,080
Riverside	—	14,900	14,700	—	170	220	14,100	235,180
San Bernardino	—	2,600	3,950	—	90	1,420	100	51,000
San Diego	—	2,500	150	—	—	220	300	77,070
Santa Barbara	—	6,900	2,400	—	4,750	—	3,600	91,550
Ventura	—	1,400	—	—	2,350	—	150	54,900
STATE	5,900	212,000	122,500	249,000	188,100	12,000	371,000	6,609,500

TABLE 3
CALIFORNIA FRUITS AND NUTS: Total acreage of principal crops, by counties, 1958

County	Apples	Almonds	Apricots	Avocados	Cherries	Dates	Figs	Raisin Grapes
Del Norte	13	—	—	—	—	—	—	—
Humboldt	122	—	—	—	3	—	—	2
Mendocino	887	—	1	—	5	—	—	5
Shasta	74	12	2	—	7	—	1	2
Siskiyou	30	—	—	—	10	—	—	—
Trinity	12	—	—	—	—	—	—	—
Lassen	21	—	—	—	—	—	—	—
Modoc	8	—	—	—	—	—	—	—
Plumas	16	—	—	—	—	—	—	—
Alameda	9	85	2,277	1	335	—	—	32
Contra Costa	18	7,418	3,371	—	444	—	57	28
Lake	12	294	—	—	—	—	—	—
Marin	14	4	4	—	—	—	—	—
Monterey	696	291	1,343	—	116	—	2	—
Napa	210	6	25	—	56	—	1	99
San Benito	205	15	4,176	—	45	—	—	—
San Francisco	—	—	—	—	—	—	—	—
San Luis Obispo	205	6,907	132	1	2	—	—	4
San Mateo	55	—	10	—	—	—	—	—
Santa Clara	183	76	12,985	2	4,153	—	2	65
Santa Cruz	10,165	1	281	2	117	—	4	3
Sonoma	10,080	4	21	—	494	—	12	21
Butte	645	15,163	26	—	15	—	39	11
Colusa	2	10,434	132	—	—	—	8	11
Glenn	1	4,811	162	—	2	—	67	—
Sacramento	2	1,165	47	—	138	—	30	32
Solano	16	2,676	3,997	—	318	—	106	7
Sutter	20	7,188	10	—	132	—	1	72
Tehama	48	1,640	74	—	6	—	35	13
Yolo	—	9,447	2,066	—	4	—	250	12
Yuba	—	921	1	—	34	—	98	—
Fresno	162	2,627	636	2	7	—	13,807	133,560
Kern	59	138	151	—	1	—	5	15,200
Kings	—	15	491	—	—	—	—	4,050
Madera	132	1,512	39	—	—	—	2,069	19,421
Merced	—	11,512	719	—	27	—	5,005	8,198
San Joaquin	11	12,330	2,134	—	6,896	—	26	758
Stanislaus	1	9,229	3,627	—	108	—	48	7,091
Tulare	328	291	115	9	30	—	386	32,686
Alpine	6	—	—	—	—	—	—	—
Amador	33	7	1	—	—	—	—	—
Calaveras	113	114	2	—	—	—	—	—
El Dorado	613	5	—	—	119	—	—	—
Inyo	55	—	—	—	—	35	—	—
Mariposa	201	—	—	—	—	—	—	—
Mono	2	—	—	—	—	—	—	—
Nevada	177	—	—	—	1	—	—	—
Placer	82	388	11	—	112	—	—	6
Sierra	9	—	—	—	—	—	—	—
Tuolumne	452	—	—	—	—	—	—	—
Imperial	—	—	—	—	—	144	—	65
Los Angeles	95	1,696	39	2,610	63	—	98	1
Orange	1	—	4	3,038	—	—	1	1
Riverside	70	133	1,922	505	282	4,016	47	7,338
San Bernardino	611	65	80	145	25	8	—	1,031
San Diego	480	14	42	14,786	—	33	37	1,755
Santa Barbara	41	8	27	1,432	25	—	16	—
Ventura	67	66	484	2,733	—	—	—	6
STATE	27,570	108,708	41,667	25,266	14,132	4,236	22,258	231,586

TABLE 3
CALIFORNIA FRUITS AND NUTS: Total acreage of principal crops, by counties, 1958 — Continued

County	Table Grapes	Wine Grapes	Grapefruit	Lemons	Nectarines	Olives	Navel & Misc. Oranges	Valencia Oranges
Del Norte	—	—	—	—	—	—	—	—
Humboldt	—	—	—	—	—	—	—	—
Mendocino	—	5,333	—	—	—	4	—	—
Shasta	4	24	—	—	—	833	—	—
Siskiyou	—	2	—	—	—	—	—	—
Trinity	—	—	—	—	—	—	—	—
Lassen	—	—	—	—	—	—	—	—
Modoc	—	—	—	—	—	—	—	—
Plumas	—	—	—	—	—	—	—	—
Alameda	22	2,799	—	2	—	44	2	—
Contra Costa	54	2,382	—	—	149	24	1	—
Lake	1	135	—	—	—	—	—	—
Marin	—	11	—	—	—	—	—	—
Monterey	3	84	—	—	—	—	—	—
Napa	29	10,260	—	—	—	67	4	3
San Benito	3	1,695	—	—	—	8	—	—
San Francisco	—	—	—	—	—	—	—	—
San Luis Obispo	—	503	—	2	—	2	1	—
San Mateo	1	13	—	—	—	—	—	—
Santa Clara	8	4,590	—	22	—	51	7	—
Santa Cruz	28	218	—	2	1	—	—	—
Sonoma	9	11,434	—	22	—	60	8	—
Butte	41	24	—	10	12	5,322	573	4
Colusa	—	59	—	—	—	216	18	—
Glenn	1	16	3	—	—	985	677	17
Sacramento	458	426	9	—	—	1,151	190	4
Solano	18	588	—	—	—	11	4	—
Sutter	—	39	—	—	94	59	3	—
Tehama	8	6	—	—	8	4,329	32	—
Yolo	8	149	—	—	—	358	16	1
Yuba	—	22	—	—	31	689	2	—
Fresno	13,581	9,148	28	178	5,336	1,159	4,407	869
Kern	8,673	3,544	6	7	604	242	1,400	61
Kings	19	560	—	—	129	394	—	—
Madera	465	3,628	—	—	216	539	6	—
Merced	1,169	3,989	—	2	320	148	6	2
San Joaquin	21,849	21,969	—	—	307	401	1	—
Stanislaus	583	8,430	—	—	445	272	21	1
Tulare	31,500	5,628	227	1,781	4,144	10,318	27,193	10,796
Alpine	—	—	—	—	—	—	—	—
Amador	5	643	—	—	—	17	—	—
Calaveras	2	196	—	—	—	236	1	—
El Dorado	—	71	—	—	1	—	—	—
Inyo	15	2	—	—	—	—	—	—
Mariposa	—	—	—	—	—	27	2	—
Mono	—	—	—	—	—	—	—	—
Nevada	3	14	—	—	—	—	—	—
Placer	53	880	—	—	3	308	34	1
Sierra	—	—	—	—	—	—	—	—
Tuolumne	—	8	—	—	—	—	—	—
Imperial	—	—	875	182	—	—	336	368
Los Angeles	83	171	324	6,252	28	657	3,579	7,493
Orange	17	6	148	3,979	1	96	559	34,585
Riverside	3,992	2,671	8,818	4,302	58	1,251	13,874	4,376
San Bernardino	882	22,369	1,764	5,682	1	556	14,896	7,330
San Diego	586	862	190	4,959	1	765	586	4,743
Santa Barbara	—	2	—	8,954	—	49	39	59
Ventura	8	68	473	27,789	—	29	2,294	17,423
STATE	84,181	125,671	12,865	64,127	11,889	31,677	70,772	88,136

TABLE 3
CALIFORNIA FRUITS AND NUTS: Total acreage
of principal crops, by counties, 1958 — Continued

County	Clingstone Peaches	Freestone Peaches	Pears	Plums	Prunes	Strawberries	Walnuts	Total Fruits and Nuts
Del Norte	—	2	—	—	1	—	—	16
Humboldt	—	18	5	—	3	—	69	222
Mendocino	—	13	2,619	25	856	—	603	10,351
Shasta	—	80	2	1	—	—	353	1,395
Siskiyou	8	8	15	—	—	—	5	78
Trinity	—	25	5	—	—	—	87	129
Lassen	1	44	1	—	—	—	—	67
Modoc	—	—	—	4	—	—	—	12
Plumas	—	—	—	—	—	—	—	16
Alameda	—	—	32	14	54	190	1,820	7,718
Contra Costa	28	566	1,751	142	111	20	16,405	32,969
Lake	2	7	4,977	—	612	—	9,072	15,112
Marin	1	2	29	—	4	—	62	131
Monterey	—	8	69	72	—	4,900	1,126	8,710
Napa	5	63	766	22	7,263	—	2,148	21,027
San Benito	3	5	818	—	3,142	140	2,579	12,834
San Francisco	—	—	—	—	—	—	—	—
San Luis Obispo	1	18	117	—	87	570	1,514	10,066
San Mateo	—	—	35	1	49	70	102	336
Santa Clara	22	123	7,065	109	37,394	3,250	8,836	78,943
Santa Cruz	2	9	969	655	518	2,500	60	15,535
Sonoma	19	90	2,152	105	18,300	70	1,713	44,614
Butte	3,521	520	189	72	3,509	—	4,712	34,408
Colusa	94	1	—	—	3,721	—	2,024	16,720
Glenn	14	98	310	5	1,978	—	1,272	10,419
Sacramento	72	60	5,249	132	601	180	1,338	11,284
Solano	8	3,337	2,815	346	4,399	—	993	19,639
Sutter	15,284	682	376	1,285	11,975	—	9,462	46,682
Tehama	5	775	97	4	3,780	—	3,687	14,547
Yolo	10	608	395	8	1,470	—	1,950	16,752
Yuba	6,043	289	1,060	448	3,790	—	2,014	15,442
Fresno	1,801	13,710	18	6,230	117	200	2,732	210,315
Kern	734	1,273	201	1,971	8	—	26	34,304
Kings	1,025	1,644	—	169	2	—	1,410	9,908
Madera	759	1,770	15	204	—	—	634	31,409
Merced	5,760	4,860	2	134	37	60	5,872	47,822
San Joaquin	8,899	2,864	489	1,080	43	600	17,672	98,329
Stanislaus	22,651	4,310	200	61	2	620	15,864	73,564
Tulare	5,196	7,433	14	6,944	904	20	10,786	156,729
Alpine	—	—	—	—	—	—	—	6
Amador	—	18	14	—	128	—	344	1,210
Calaveras	—	1	10	—	1	—	425	1,101
El Dorado	40	20	4,074	70	—	—	284	5,297
Inyo	2	5	—	—	—	—	—	114
Mariposa	—	1	3	—	—	—	4	238
Mono	—	—	1	—	—	—	—	3
Nevada	9	7	840	17	—	—	9	1,077
Placer	587	448	7,179	6,871	6	—	137	17,106
Sierra	—	—	—	—	—	—	—	9
Tuolumne	—	—	78	—	—	—	48	586
Imperial	—	—	—	—	—	—	—	1,970
Los Angeles	9	572	279	20	—	700	2,754	27,523
Orange	6	19	2	19	—	900	755	44,137
Riverside	220	794	7	414	51	100	4,006	59,247
San Bernardino	305	663	31	498	—	100	888	57,930
San Diego	8	341	178	74	2	250	912	31,604
Santa Barbara	1	8	4	3	—	1,250	2,661	14,579
Ventura	4	35	12	2	—	310	11,296	63,099
STATE	73,159	48,247	45,569	28,231	104,918	17,000	153,525	1,435,390

TABLE 4

CALIFORNIA VEGETABLES AND MELONS: Harvested Acreage of Principal Crops, by Counties, 1958

County	Artichokes	Asparagus	Snap Beans	Green Lima Beans	Broccoli	Brussel Sprouts	Cabbage	Carrots
Del Norte	—	—	—	—	—	—	—	—
Humboldt	—	—	—	—	—	—	—	—
Mendocino	—	—	40	—	—	—	—	—
Shasta	—	—	—	—	—	—	—	—
Siskiyou	—	—	—	—	—	—	—	—
Trinity	—	—	—	—	—	—	—	—
Lassen	—	—	—	—	—	—	—	—
Modoc	—	—	—	—	—	—	—	—
Plumas	—	—	—	—	—	—	—	—
Alameda	—	—	380	—	300	—	240	20
Contra Costa	—	10,470	—	—	—	—	80	30
Lake	—	—	—	200	—	—	—	—
Marin	100	—	—	—	—	20	—	—
Monterey	5,570	260	220	1,330	9,200	130	930	8,530
Napa	—	—	20	—	—	—	—	—
San Benito	—	—	—	400	80	—	70	40
San Francisco	—	—	—	—	—	—	—	—
San Luis Obispo	640	—	930	390	3,400	50	210	590
San Mateo	1,320	—	50	—	260	1,800	320	20
Santa Clara	—	—	1,730	1,990	1,200	—	300	70
Santa Cruz	400	50	680	—	1,270	2,300	180	100
Sonoma	—	—	420	—	—	—	—	—
Butte	—	—	—	—	—	—	—	—
Colusa	—	—	—	—	—	—	—	—
Glenn	—	—	—	—	—	—	—	—
Sacramento	—	1,520	20	—	40	—	70	20
Solano	—	2,740	20	—	—	—	—	—
Sutter	—	—	—	—	—	—	—	—
Tehama	—	—	—	—	—	—	—	—
Yolo	—	2,230	—	—	—	—	—	60
Yuba	—	—	—	—	—	—	—	—
Fresno	—	—	80	—	90	—	120	110
Kern	—	240	30	—	—	—	50	390
Kings	—	70	—	—	—	—	—	—
Madera	—	—	—	—	—	—	—	—
Merced	—	50	—	1,440	—	—	—	30
San Joaquin	—	54,970	40	—	10	—	150	850
Stanislaus	—	20	20	5,470	70	—	40	600
Tulare	—	1,130	190	—	—	—	30	—
Alpine	—	—	—	—	—	—	—	—
Amador	—	—	—	—	—	—	—	—
Calaveras	—	—	—	—	—	—	—	—
El Dorado	—	—	—	—	—	—	—	—
Inyo	—	—	—	—	—	—	—	—
Mariposa	—	—	—	—	—	—	—	—
Mono	—	—	—	—	—	—	—	—
Nevada	—	—	—	—	—	—	—	—
Placer	—	—	—	—	—	—	—	—
Sierra	—	—	—	—	—	—	—	—
Tuolumne	—	—	—	—	—	—	—	—
Imperial	—	570	—	—	500	—	1,560	3,600
Los Angeles	—	360	510	—	70	—	1,760	1,100
Orange	—	900	380	1,010	40	—	1,370	760
Riverside	—	340	360	—	70	—	310	2,340
San Bernardino	—	—	—	—	—	—	120	240
San Diego	—	380	1,100	—	—	—	870	—
Santa Barbara	1,370	—	60	1,760	7,100	—	290	1,450
Ventura	—	—	120	9,710	1,500	—	1,630	1,550
STATE	9,400	76,300	7,400	23,700	25,200	4,300	10,700	22,500

TABLE 4
CALIFORNIA VEGETABLES AND MELONS: Harvested Acreage of Principal Crops, by Counties, 1958 — Continued

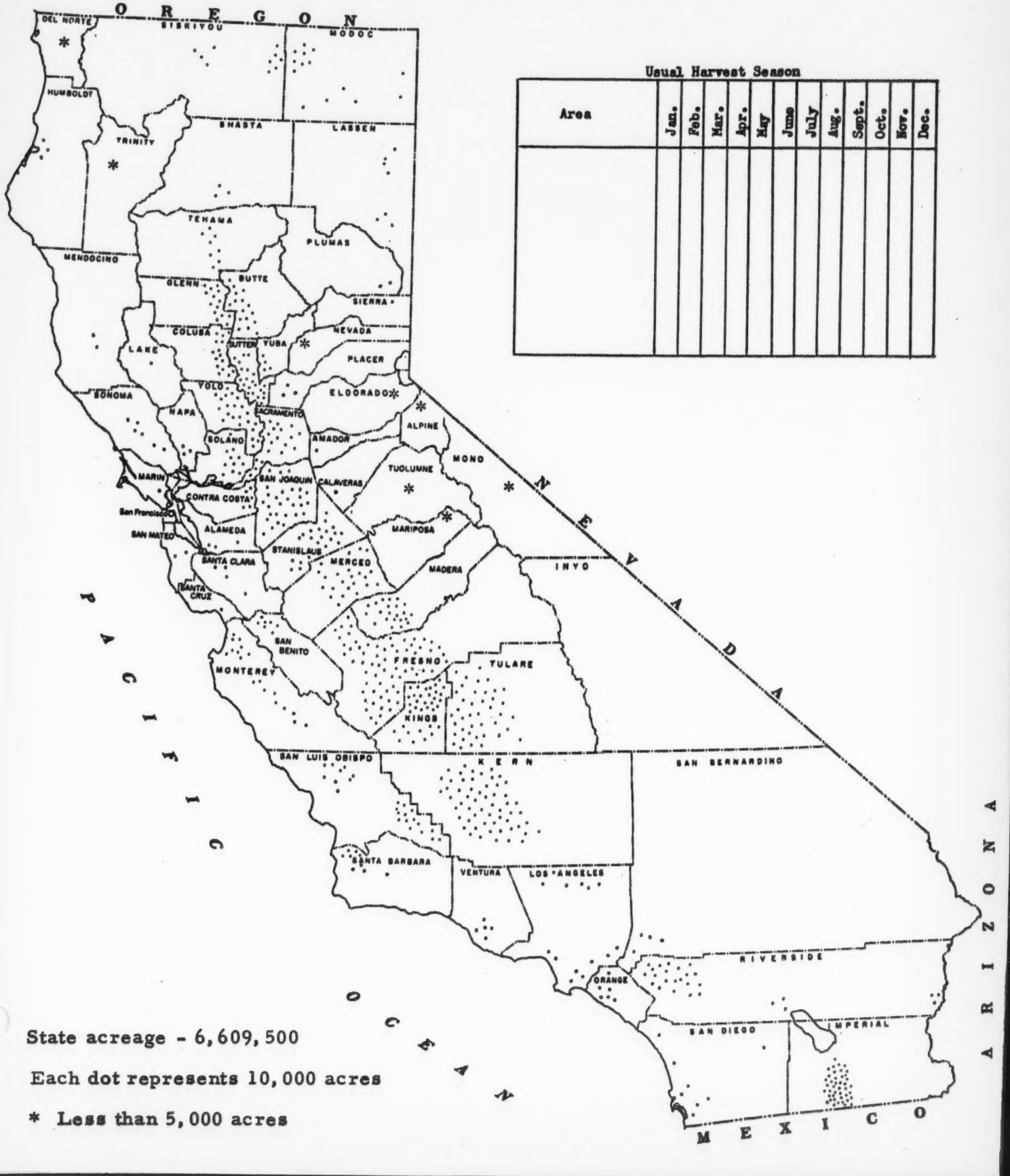
County	Cauliflower	Celery	Corn, Sweet	Cucumbers	Garlic	Lettuce	Onions	Peas, Green	Peppers, Bell	Peppers, Chili
Del Norte	—	—	—	—	—	—	—	—	—	—
Humboldt	—	—	40	—	—	—	—	—	—	—
Mendocino	—	—	—	—	—	—	—	10	—	—
Shasta	—	—	—	—	—	—	—	—	—	—
Siskiyou	—	—	—	—	—	—	410	—	—	—
Trinity	—	—	—	—	—	—	—	—	—	—
Lassen	—	—	—	—	—	—	—	—	—	—
Modoc	—	—	—	—	—	—	140	—	—	—
Plumas	—	—	—	—	—	—	—	—	—	—
Alameda	2,520	70	760	1,720	—	2,700	10	20	20	—
Contra Costa	—	40	1,100	10	—	1,380	30	—	—	—
Lake	—	—	—	—	—	—	—	—	—	—
Marin	—	—	—	—	—	—	—	80	—	—
Monterey	2,000	4,150	40	—	360	45,420	1,530	310	—	—
Napa	—	—	40	—	—	—	—	—	—	—
San Benito	20	—	300	50	530	1,080	90	150	120	—
San Francisco	—	—	—	—	—	—	—	—	—	—
San Luis Obispo	1,420	1,350	70	120	—	2,250	—	1,620	230	—
San Mateo	20	—	—	—	5	280	—	80	—	—
Santa Clara	750	870	350	860	1,000	1,670	230	430	500	—
Santa Cruz	680	100	160	—	—	4,000	—	130	—	—
Sonoma	—	—	40	—	5	—	—	20	10	—
Butte	—	—	30	—	—	—	—	—	—	—
Colusa	—	—	—	—	—	—	—	—	—	—
Glenn	—	—	40	—	—	—	—	—	—	—
Sacramento	50	20	100	80	—	110	60	280	10	—
Solano	—	—	30	220	—	20	60	—	—	—
Sutter	—	—	40	—	—	—	—	—	—	—
Tehama	—	—	30	—	—	—	—	—	—	—
Yolo	—	10	130	70	—	—	580	—	10	—
Yuba	—	—	—	—	—	—	—	—	—	—
Fresno	180	20	620	150	—	50	330	40	150	—
Kern	—	30	3,380	20	520	950	2,200	2,270	—	—
Kings	—	—	—	—	—	—	—	—	—	—
Madera	—	—	100	—	—	—	—	—	—	—
Merced	130	—	50	—	—	100	50	—	650	—
San Joaquin	50	1,200	500	210	5	870	2,400	230	500	—
Stanislaus	290	80	790	40	—	1,600	450	2,400	530	—
Tulare	—	—	1,100	90	—	160	20	560	20	—
Alpine	—	—	—	—	—	—	—	—	—	—
Amador	—	—	—	—	—	—	—	—	—	—
Calaveras	—	—	—	—	—	—	—	—	—	—
El Dorado	—	—	—	—	—	—	—	—	—	—
Inyo	—	—	—	—	—	—	—	—	—	—
Mariposa	—	—	—	—	—	—	—	—	—	—
Mono	—	—	—	—	—	—	—	—	—	—
Nevada	—	—	—	—	—	—	—	—	—	—
Placer	—	—	—	—	—	—	—	—	—	—
Sierra	—	—	—	—	—	—	—	—	—	—
Tuolumne	—	—	—	—	—	—	—	—	—	—
Imperial	—	—	150	310	420	32,500	1,360	—	40	—
Los Angeles	650	1,820	1,700	410	15	420	930	120	170	—
Orange	1,400	2,060	2,700	350	—	1,240	10	570	350	2,120
Riverside	30	50	5,570	20	30	6,850	1,280	60	600	—
San Bernardino	80	—	1,850	—	10	40	320	—	—	—
San Diego	30	1,490	330	740	—	960	—	50	500	570
Santa Barbara	2,350	1,610	30	70	—	4,100	10	90	50	650
Ventura	350	1,730	30	460	—	3,550	—	1,380	140	1,020
STATE	13,000	16,700	22,200	6,000	2,900	112,300	12,500	10,900	4,600	4,360

TABLE 4
CALIFORNIA VEGETABLES AND MELONS: Harvested Acreage of Principal Crops, by Counties, 1958 — Continued

County	Spinach	Tomatoes	Total Vegetables	Cantaloups	Honeydews	Persians	Watermelons	Total Melons
Del Norte	---	---	---	---	---	---	---	---
Humboldt	---	---	40	---	---	---	---	---
Mendocino	---	---	50	---	---	---	---	---
Shasta	---	---	---	---	---	---	---	---
Siskiyou	---	---	410	---	---	---	---	---
Trinity	---	---	---	---	---	---	---	---
Lassen	---	---	---	---	---	---	---	---
Modoc	---	---	140	---	---	---	---	---
Plumas	---	---	---	---	---	---	---	---
Alameda	100	3,710	12,570	---	---	---	---	---
Contra Costa	20	2,060	15,220	---	---	---	---	---
Lake	---	---	200	---	---	---	---	---
Marin	---	---	200	---	---	---	---	---
Monterey	3,090	7,300	90,370	---	---	---	---	---
Napa	---	490	550	---	---	---	---	---
San Benito	100	2,750	5,780	---	---	---	---	---
San Francisco	---	---	---	---	---	---	---	---
San Luis Obispo	110	230	13,610	---	---	---	---	---
San Mateo	60	---	4,215	---	---	---	---	---
Santa Clara	160	4,320	16,430	---	---	---	---	---
Santa Cruz	30	310	10,390	---	---	---	---	---
Sonoma	---	---	495	---	---	---	---	---
Butte	---	2,210	2,240	100	20	170	100	390
Colusa	---	360	360	---	---	---	---	---
Glenn	---	---	40	---	---	---	---	---
Sacramento	20	12,090	14,490	50	---	---	---	50
Solano	---	9,390	12,480	---	---	---	---	---
Sutter	---	7,280	7,320	80	---	320	---	400
Tehama	---	---	30	---	---	---	80	80
Yolo	880	32,780	36,750	---	1,400	---	---	1,400
Yuba	---	1,120	1,120	70	580	10	---	660
Fresno	40	1,030	3,010	18,100	320	180	1,000	19,600
Kern	---	130	10,210	5,780	800	80	2,130	8,790
Kings	10	---	80	470	---	---	20	490
Madera	---	120	220	50	---	---	40	90
Merced	40	13,290	15,830	3,950	---	150	1,500	5,600
San Joaquin	250	50,630	112,865	600	100	20	1,400	2,120
Stanislaus	1,190	11,260	24,850	1,600	2,280	560	1,500	5,940
Tulare	50	2,350	5,700	300	500	30	1,100	1,930
Alpine	---	---	---	---	---	---	---	---
Amador	---	---	---	---	---	---	---	---
Calaveras	---	---	---	---	---	---	---	---
El Dorado	---	---	---	---	---	---	---	---
Inyo	---	---	---	---	---	---	---	---
Mariposa	---	---	---	---	---	---	---	---
Mono	---	---	---	---	---	---	---	---
Nevada	---	---	---	---	---	---	---	---
Placer	---	---	---	---	---	---	---	---
Sierra	---	---	---	---	---	---	---	---
Tuolumne	---	---	---	---	---	---	---	---
Imperial	---	3,930	44,940	5,500	---	30	3,600	9,130
Los Angeles	700	490	11,225	600	---	---	100	700
Orange	850	5,190	21,300	30	---	---	30	60
Riverside	150	1,150	19,210	8,520	270	50	5,860	14,700
San Bernardino	---	20	2,680	260	---	---	130	390
San Diego	30	4,800	11,850	40	---	---	110	150
Santa Barbara	40	1,090	22,120	---	---	---	---	---
Ventura	980	9,420	33,570	---	---	---	---	---
STATE	8,900	191,300	585,160	46,100	6,270	1,600	18,700	72,670

PRINCIPAL CALIFORNIA FIELD CROPS

Acreage Harvested, 1958



Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.

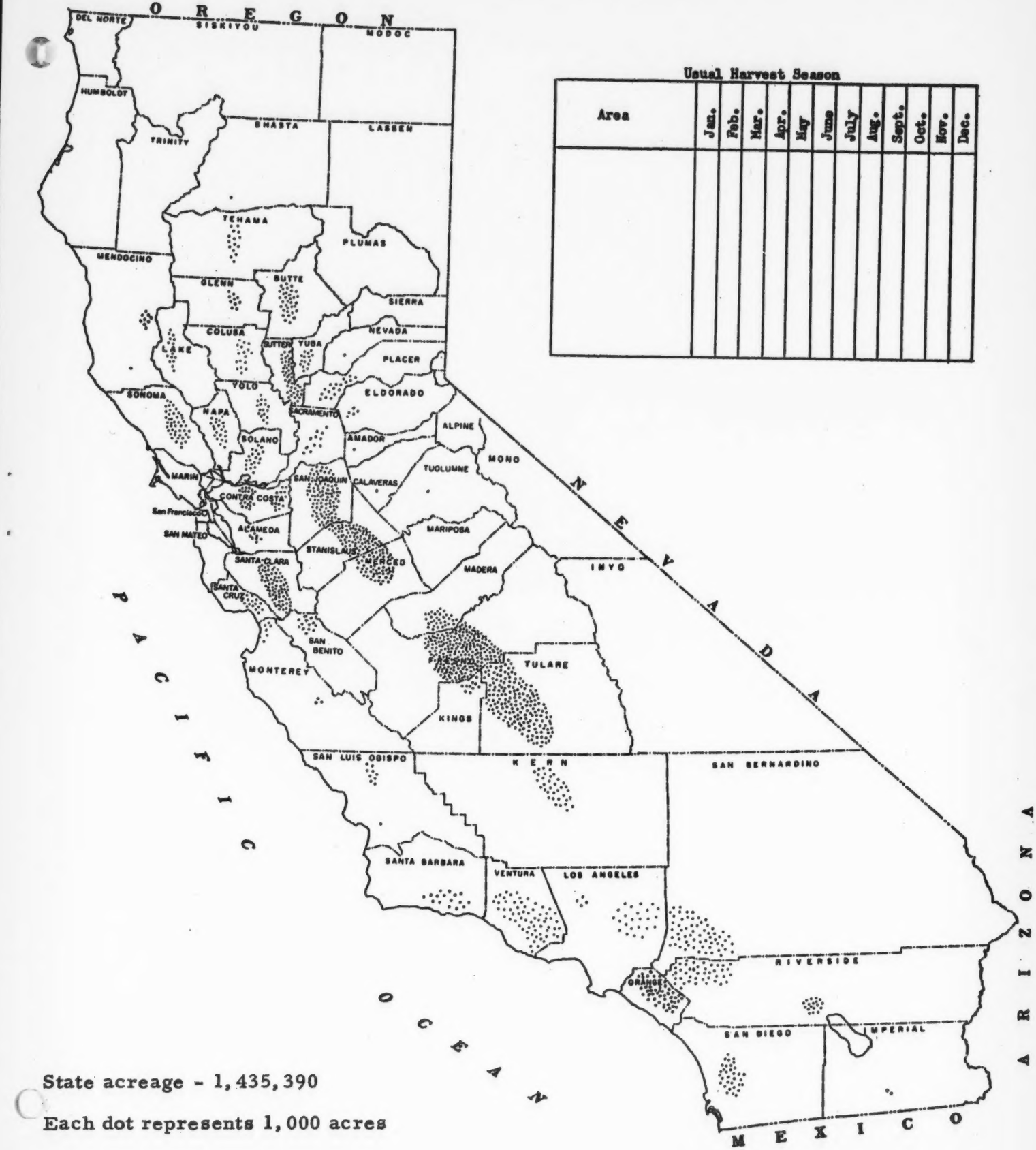
State acreage - 6,609,500

Each dot represents 10,000 acres

* Less than 5,000 acres

CALIFORNIA FRUIT AND NUTS CROPS

Total Acreage, 1958



Usual Harvest Season

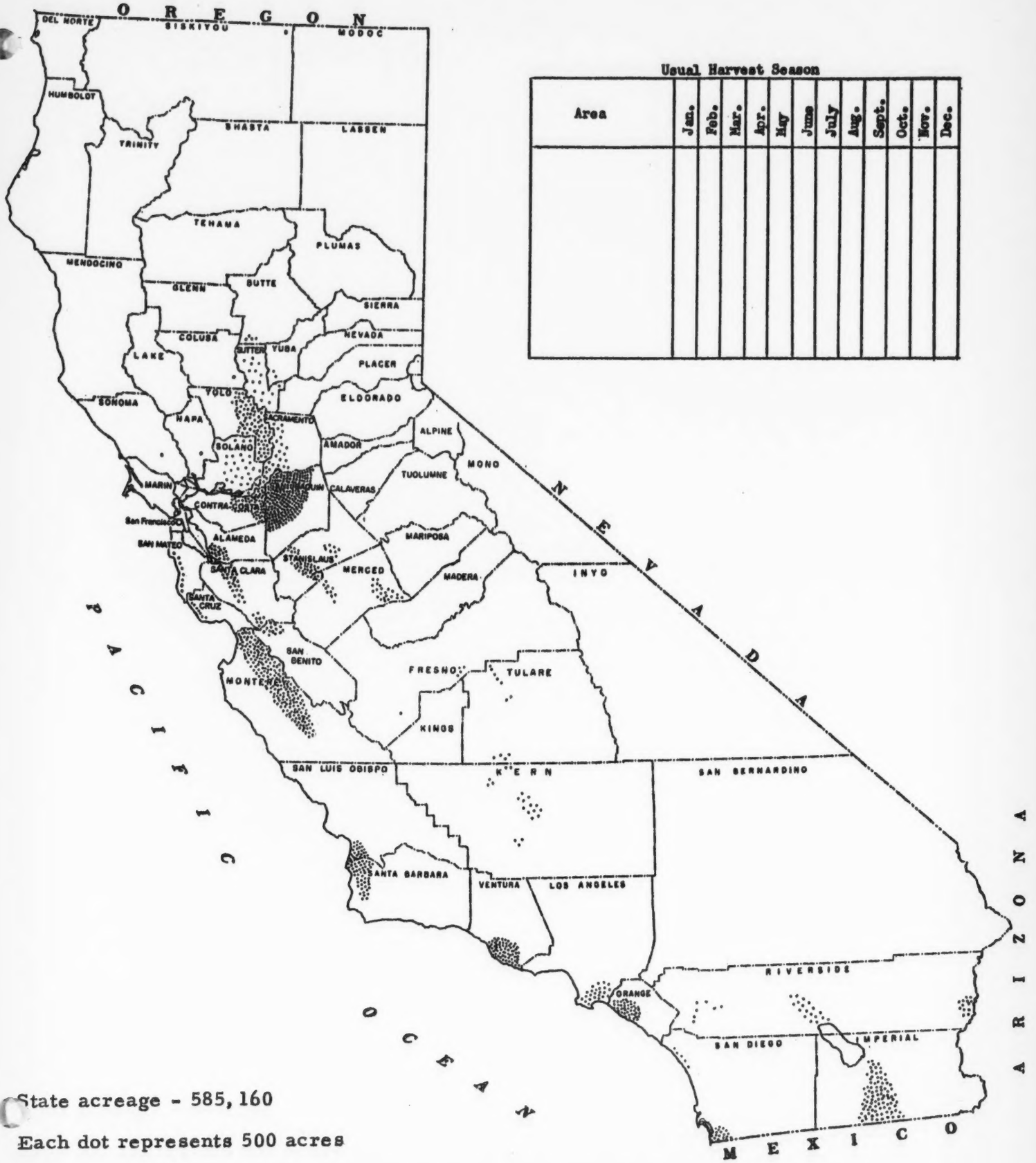
Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.

State acreage - 1,435,390

Each dot represents 1,000 acres

CALIFORNIA VEGETABLES

Acreage Harvested, 1958



Usual Harvest Season

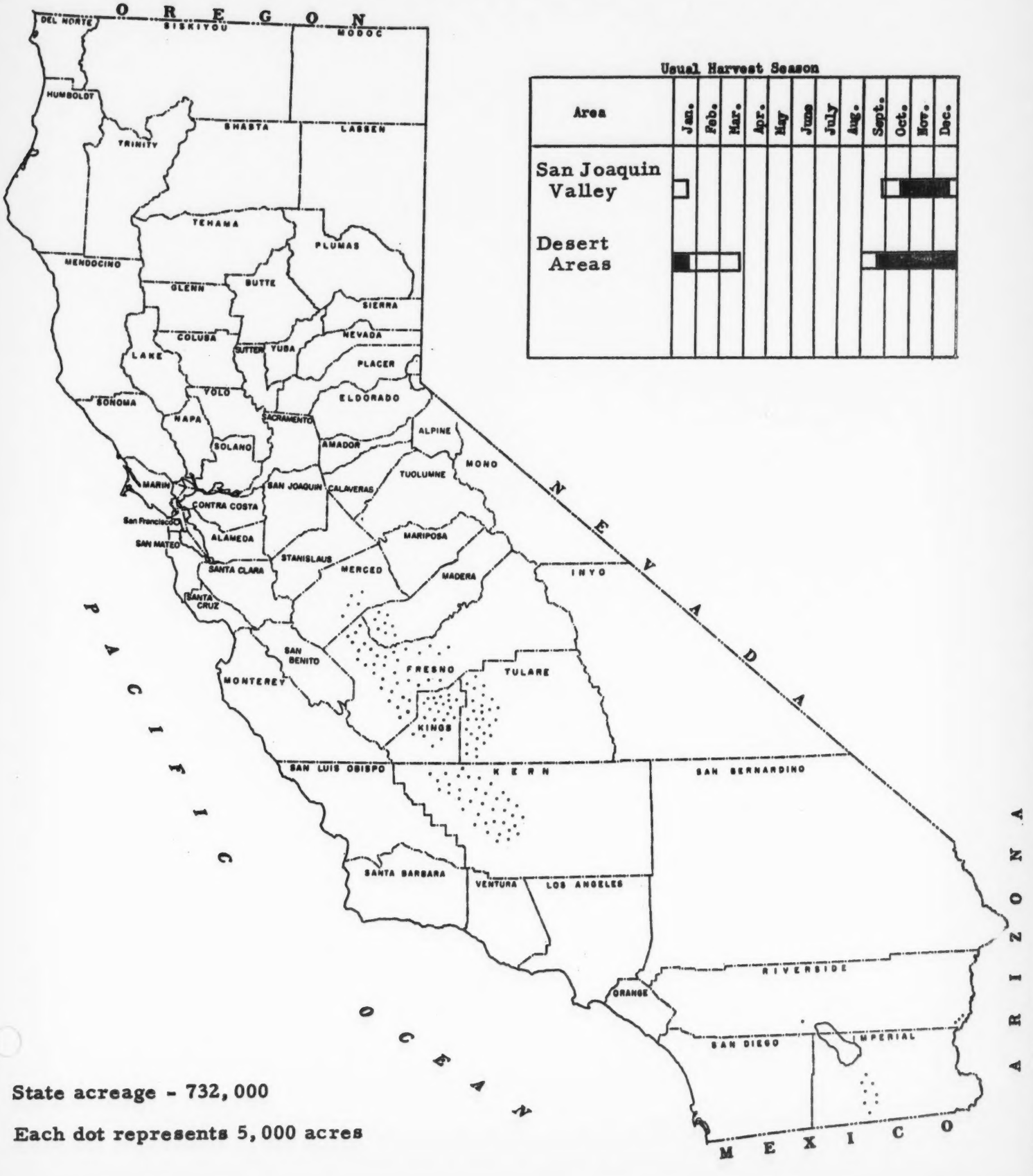
Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.

State acreage - 585,160

Each dot represents 500 acres

CALIFORNIA COTTON

Acreage Harvested, 1958



Usual Harvest Season

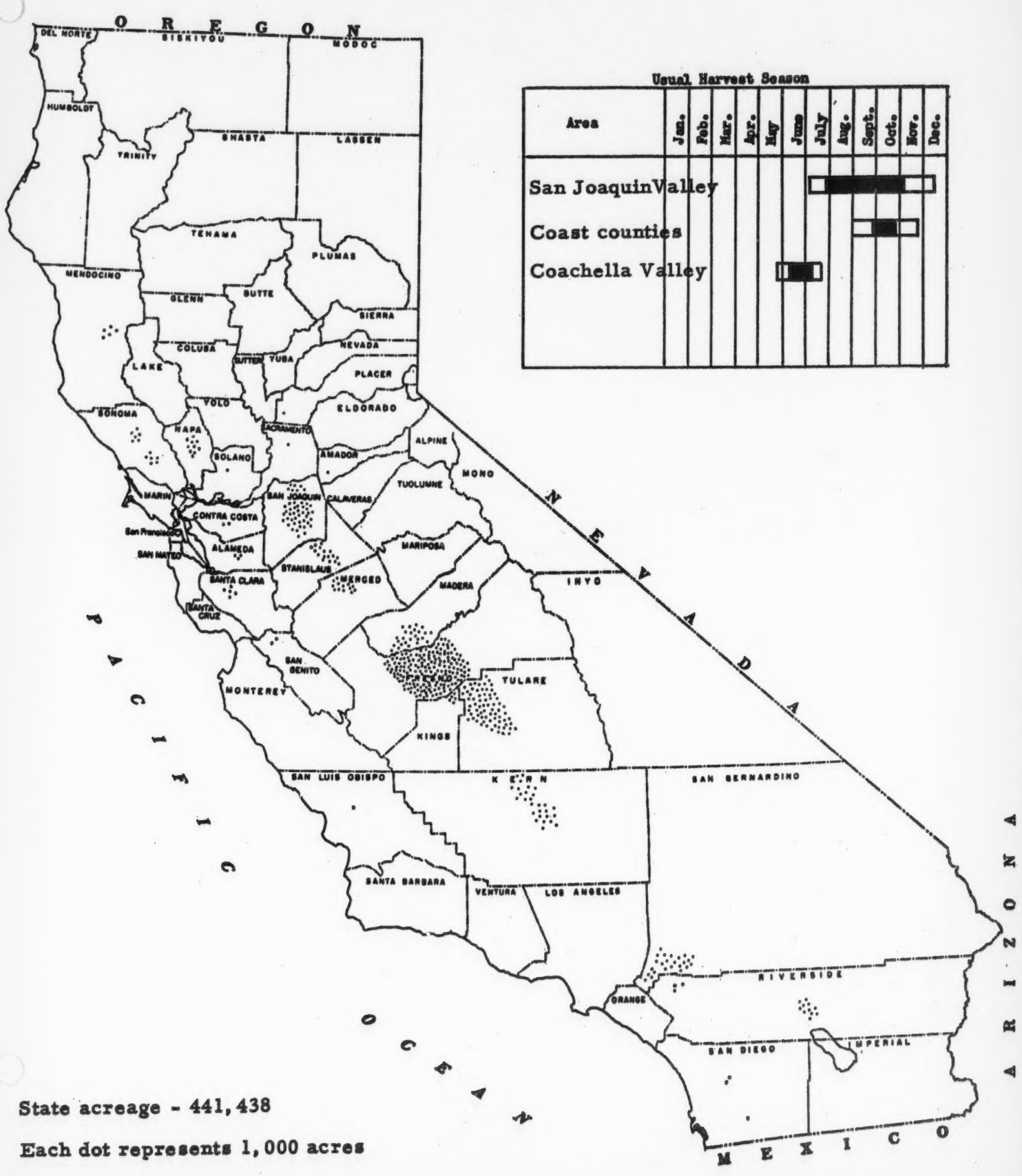
Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
San Joaquin Valley												
Desert Areas												

State acreage - 732,000

Each dot represents 5,000 acres

CALIFORNIA GRAPES

Total Acreage, 1958



Usual Harvest Season

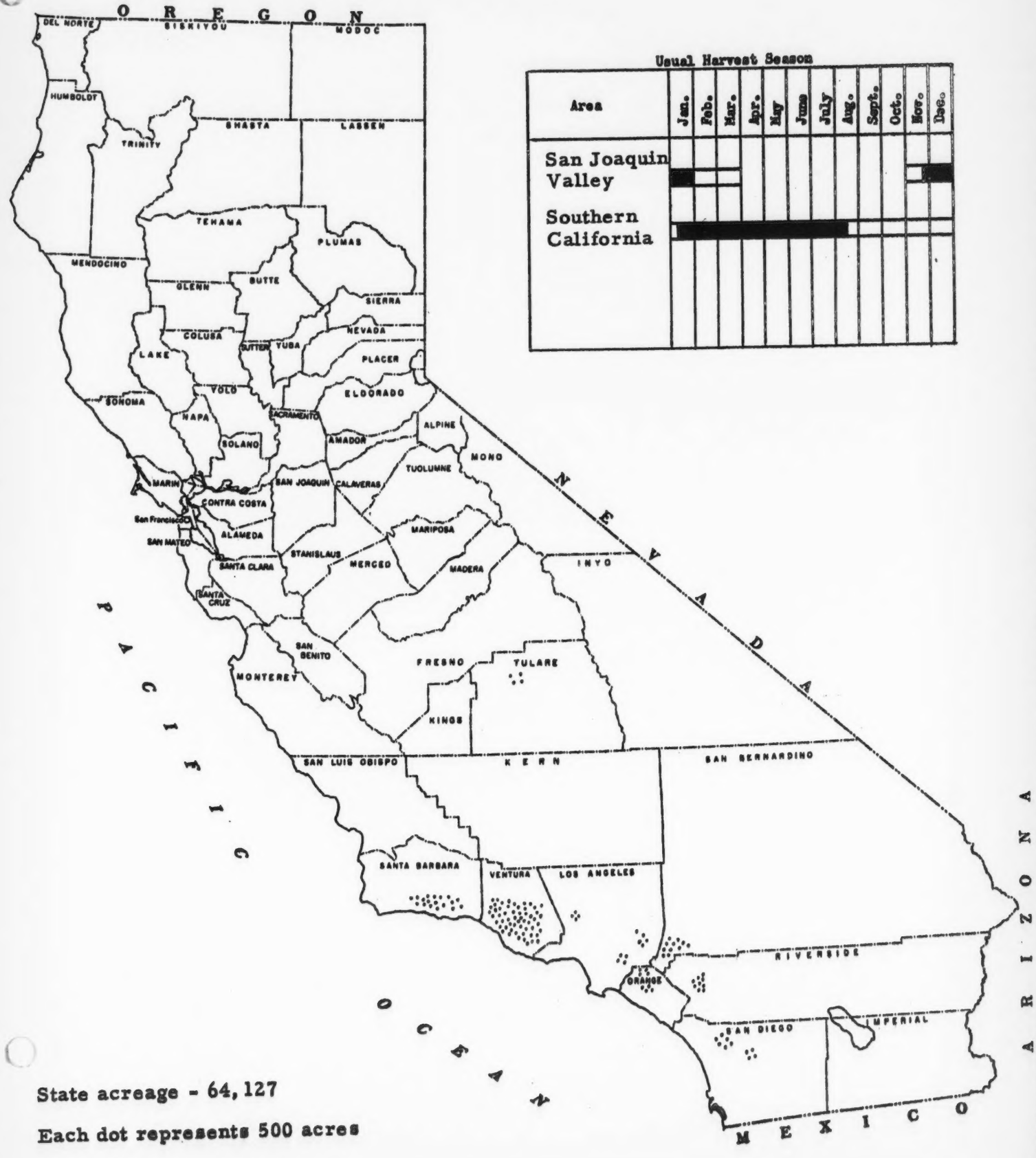
Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
San Joaquin Valley							■	■	■	■	■	
Coast counties									■	■		
Coachella Valley					■	■						

State acreage - 441,438

Each dot represents 1,000 acres

CALIFORNIA LEMONS

Total Acreage, 1958



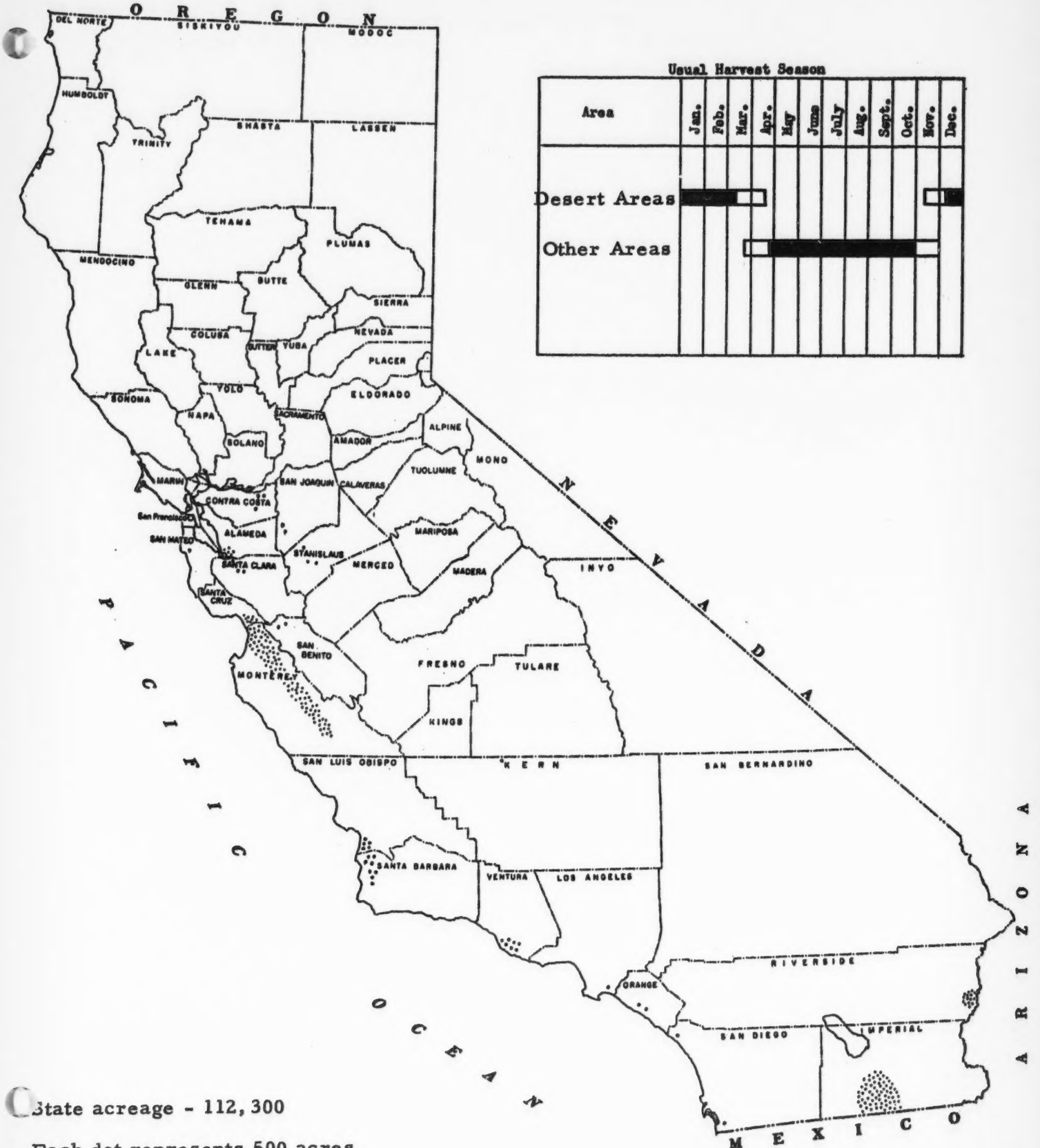
Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
San Joaquin Valley	■	■	■								■	■
Southern California	■	■	■	■	■	■	■					

State acreage - 64,127

Each dot represents 500 acres

CALIFORNIA LETTUCE
Acreage Harvested, 1958



Usual Harvest Season

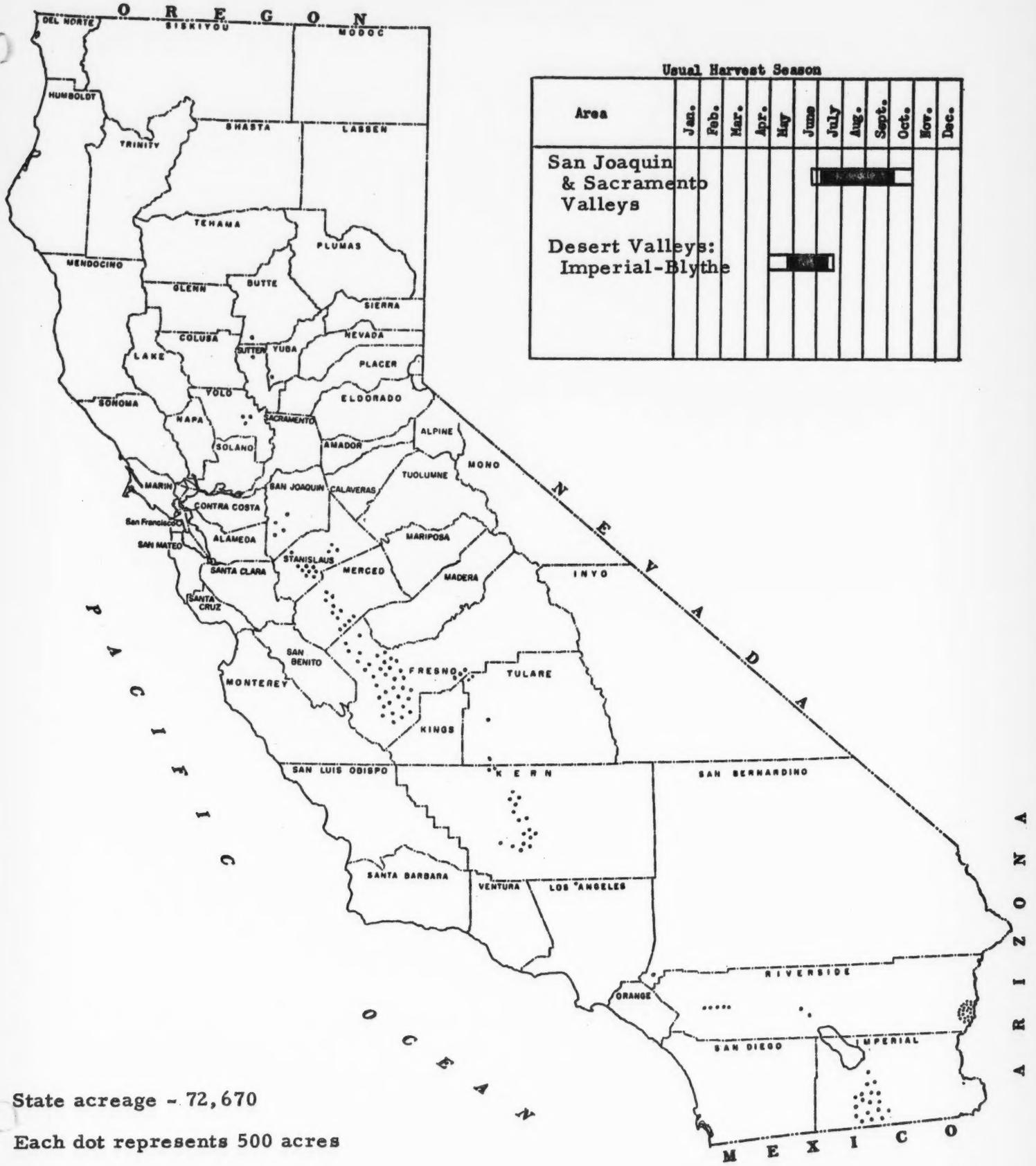
Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Desert Areas	■	■	■	□							□	■
Other Areas			□	■	■	■	■	■	■	■	□	

State acreage - 112,300

Each dot represents 500 acres

CALIFORNIA MELONS

Acreage Harvested, 1958



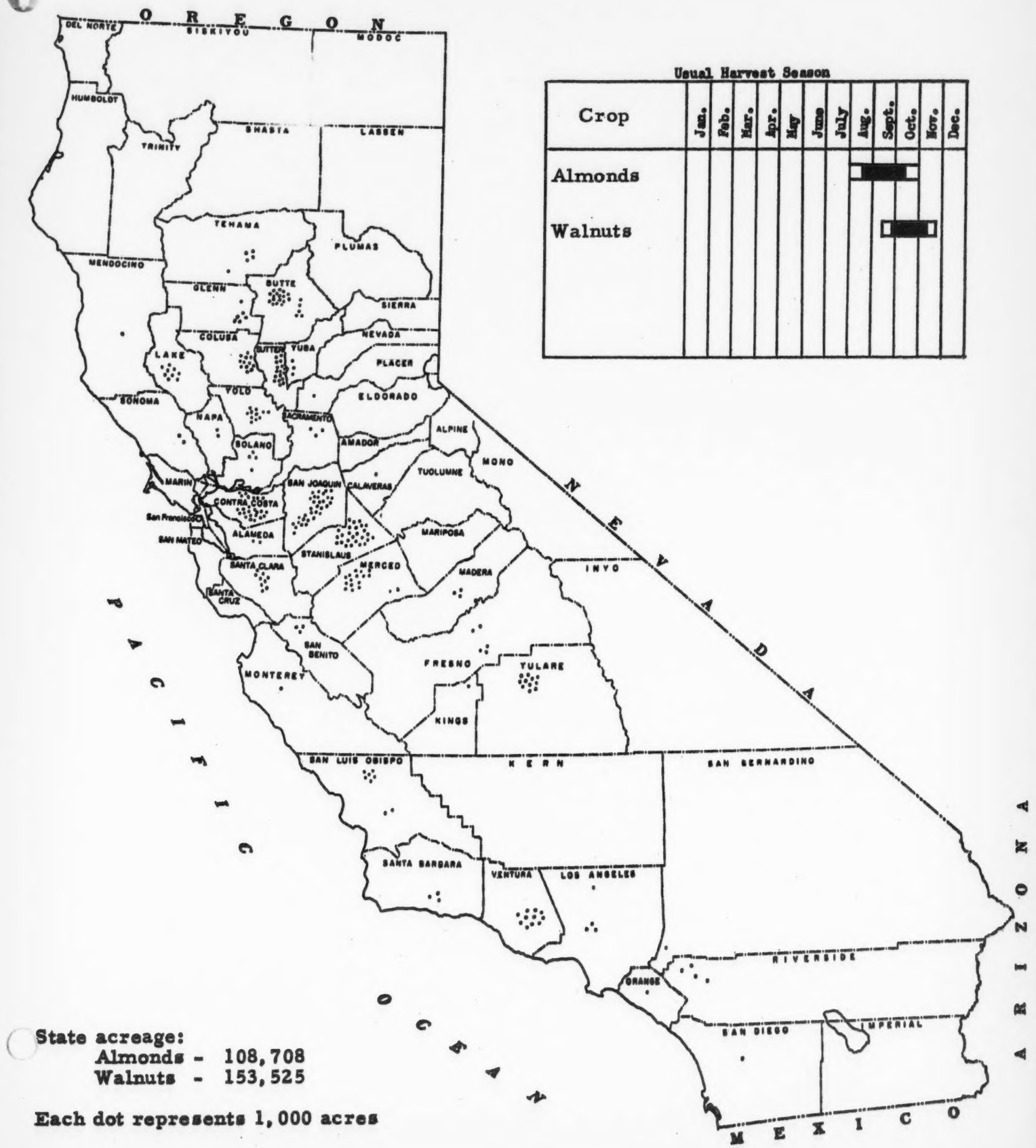
Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
San Joaquin & Sacramento Valleys							■	■	■			
Desert Valleys: Imperial-Blythe					■	■						

State acreage - 72,670

Each dot represents 500 acres

CALIFORNIA NUTS
Total Acreage, 1958



Usual Harvest Season

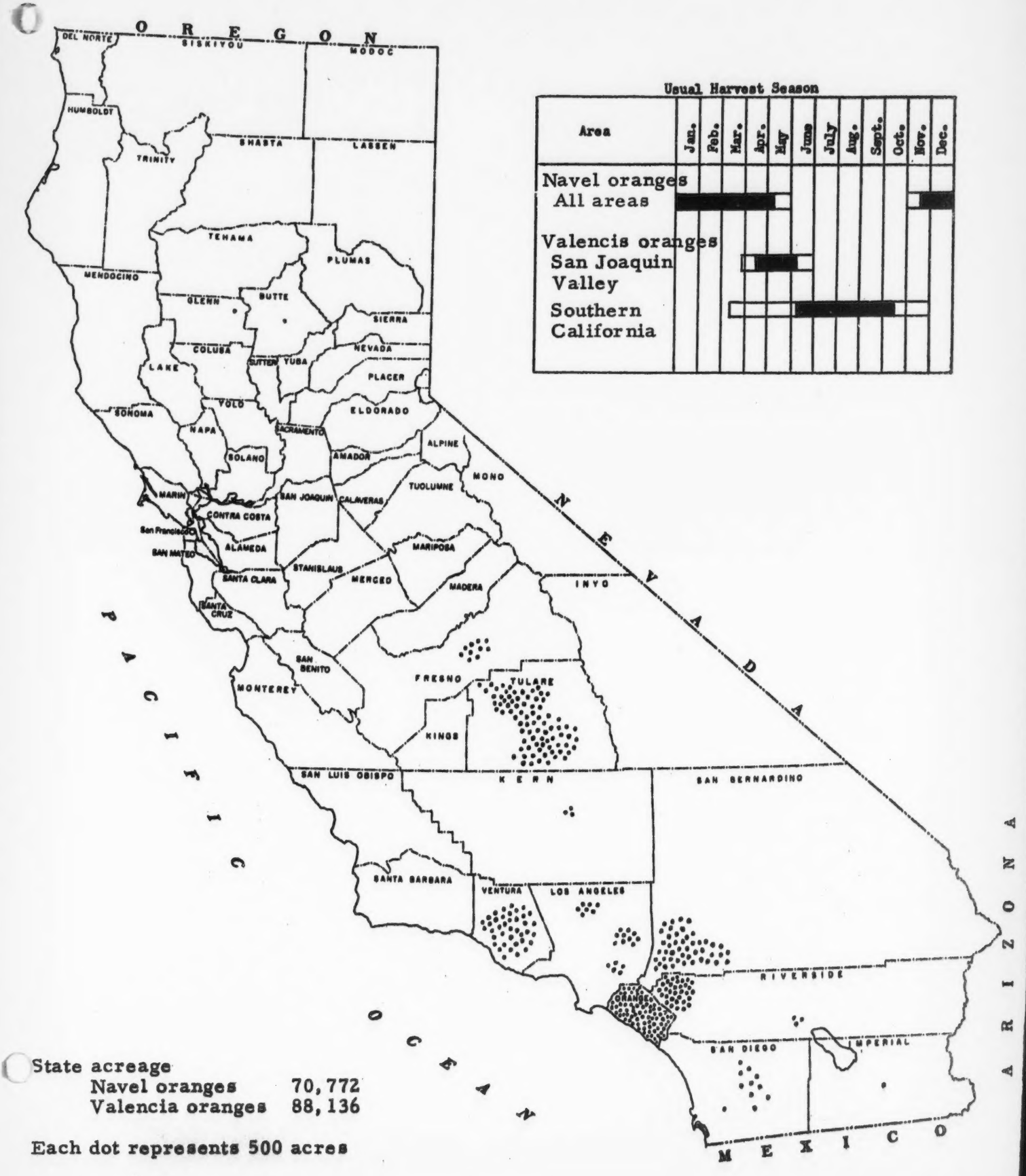
Crop	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Almonds								■	■	■		
Walnuts									■	■		

State acreage:
Almonds - 108,708
Walnuts - 153,525

Each dot represents 1,000 acres

CALIFORNIA ORANGES

Total Acreage, 1958



Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Navel oranges												
All areas	■	■	■	■	■						■	■
Valencis oranges												
San Joaquin Valley				■	■							
Southern California			■	■	■	■	■	■	■	■	■	

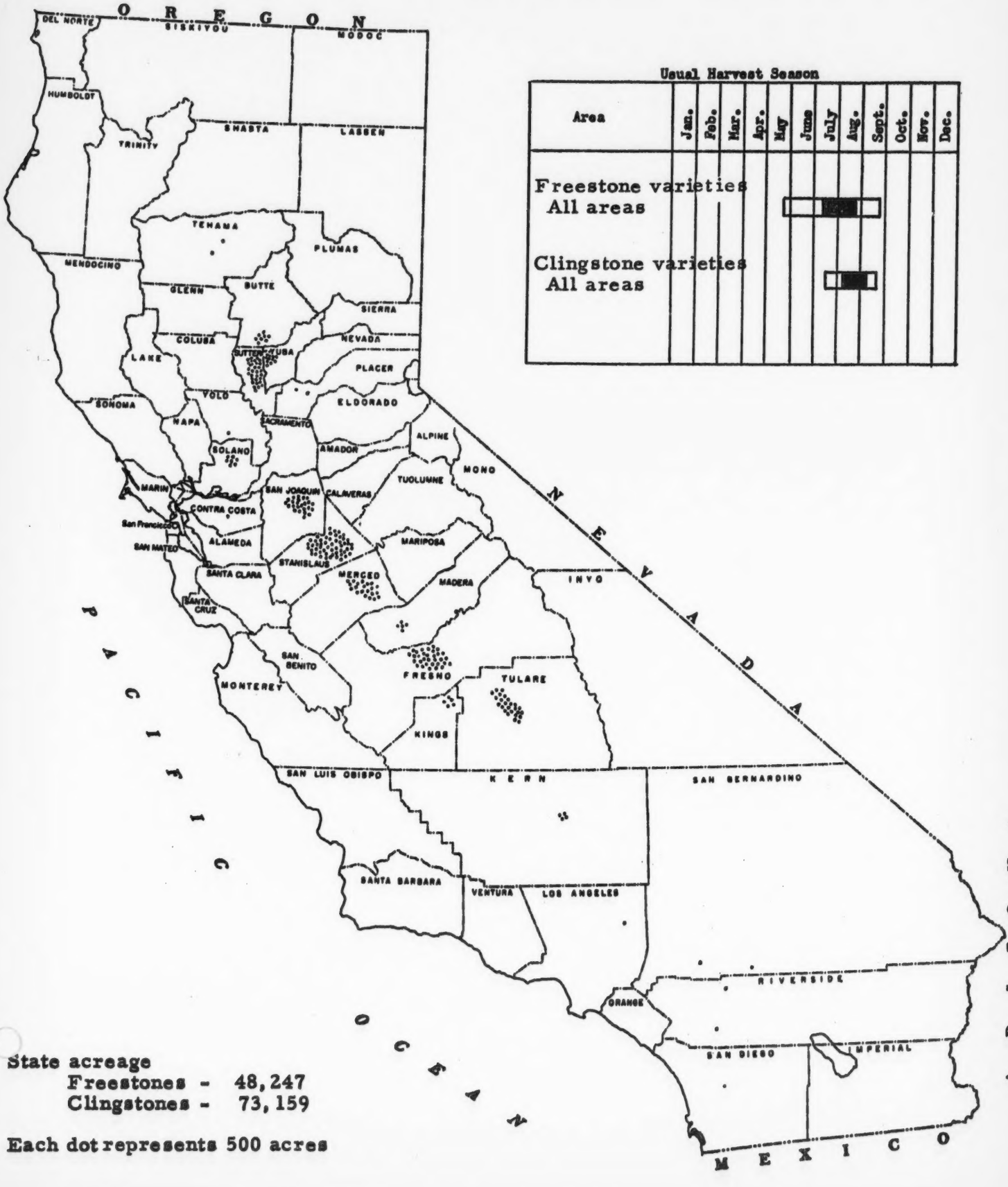
State acreage

Navel oranges	70,772
Valencia oranges	88,136

Each dot represents 500 acres

CALIFORNIA PEACHES

Total Acreage, 1958



Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Freestone varieties All areas												
Clingstone varieties All areas												

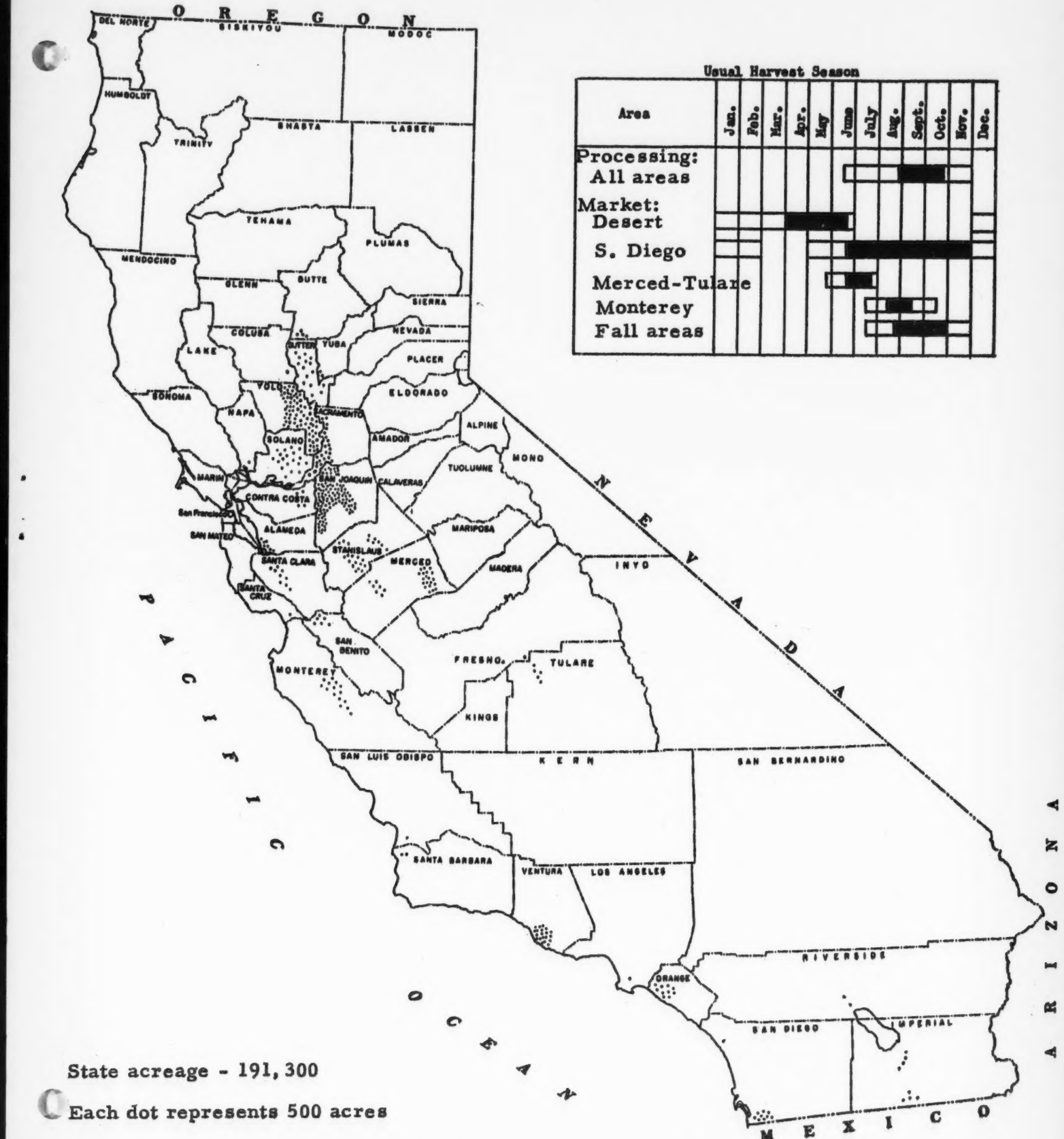
State acreage

Freestones - 48,247
Clingstones - 73,159

Each dot represents 500 acres

CALIFORNIA TOMATOES

Acreage Harvested, 1958



Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Processing: All areas						■	■	■	■	■		
Market: Desert	■	■	■	■	■	■						■
S. Diego	■	■	■	■	■	■	■	■	■	■	■	■
Merced-Tulare					■	■	■					
Monterey							■	■	■			
Fall areas							■	■	■	■		

State acreage - 191,300

Each dot represents 500 acres

THE ECONOMICS OF

ALFALFA

IN YUBA COUNTY

THIS COST STUDY SHOWS THAT MANY, VARIABLE FACTORS CAN AFFECT THE COST OF PRODUCING ALFALFA. IF THE LAND VALUE, FOR EXAMPLE, IS INCREASED $100.00 PER ACRE, THE COST FIGURE WOULD GO UP $1.00 PER TON. INTEREST ON THE LAND VALUE IS ONLY ONE OF THE COST FACTORS. ANOTHER VARIABLE FACTOR IS THE COST OF WATER, WHICH IN THIS STUDY, WAS FIGURED AT $3.00 PER ACRE-FOOT, DELIVERED TO THE HEAD DITCH. THE MOST IMPORTANT FACTOR AFFECTING NET INCOME FROM ANY AGRICULTURAL CROP IS YIELD PER ACRE. THE CHART BELOW SHOWS THE AFFECT OF TWO VARIABLE FACTORS ON THE COST OF PRODUCING HAY.

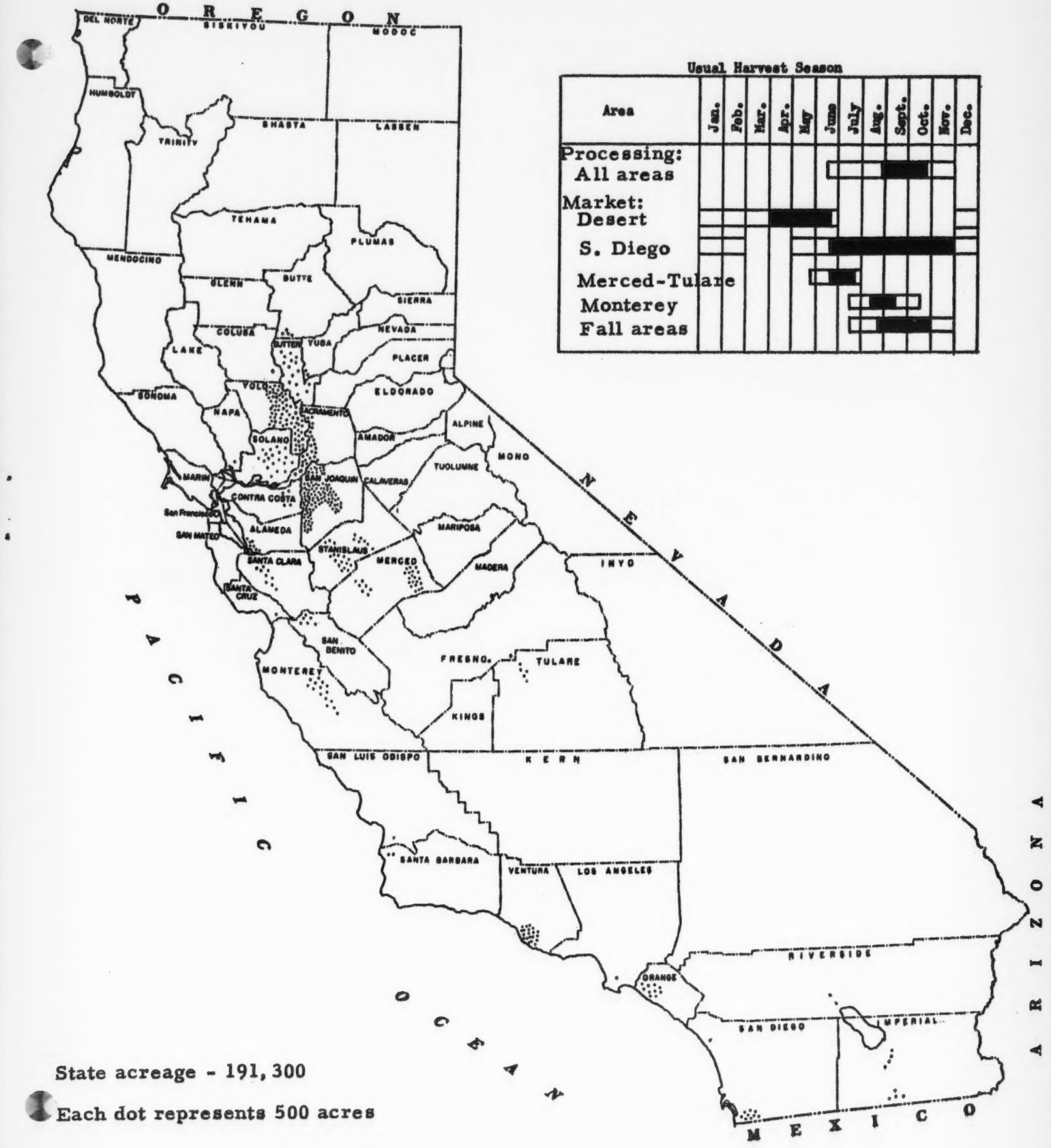
COST PER TON OF HAY PRODUCED AT VARIOUS YIELDS AND VARIOUS WATER COSTS

Cost Per Acre-Foot of Water

Yield of Hay in Tons Per Acre	$1.00	$ 2.00	$3.00	$ 4.00	$ 5.00
4-	22.00	23.00	24.00	25.00	26.00
5-	19.00	19.80	20.60	21.40	22.20
6-	17.00	17.70	18.35	19.00	19.70
7-	15.55	16.15	16.70	17.30	17.85
8-	14.50	15.00	15.50	16.00	16.50

CALIFORNIA TOMATOES

Acreage Harvested, 1958



Usual Harvest Season

Area	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Processing: All areas												
Market: Desert												
S. Diego												
Merced-Tulare												
Monterey												
Fall areas												

State acreage - 191,300

Each dot represents 500 acres

THE ECONOMICS OF

ALFALFA

IN YUBA COUNTY

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COST PER TON OF HAY PRODUCED AT VARIOUS YIELDS AND VARIOUS WATER COSTS

Cost Per Acre-Foot of Water

Yield of Hay in Tons Per Acre	$1.00	$ 2.00	$3.00	$ 4.00	$ 5.00
4-	22.00	23.00	24.00	25.00	26.00
5-	19.00	19.80	20.60	21.40	22.20
6-	17.00	17.70	18.35	19.00	19.70
7-	15.55	16.15	16.70	17.30	17.85
8-	14.50	15.00	15.50	16.00	16.50

SAMPLE COSTS TO PRO

Operation	Hours Per Acre	Labor
Cultural		
Irrigate 7 times	4.5	5.65
Misc. - Weed control, etc.		1.60
Taxes		
Total Cultural $		7.25
Harvest		
Mow and Rake 5 Times		Contract at $3
Bale 5 Times		6 Tons @ $4.50
Haul		6 Tons @ $2.50
Total Harvest $		
TOTAL CASH AND LABOR COST		

	Investment Per A
Land	300.00
Stand - 5 years	25.00
Equipment	10.00
Total Overhead $	335.00
TOTAL ANNUAL OVERHEAD COST	

Alfalfa Publications:
"Alfalfa Production in California"
"Pest Control Program for Alfalfa"
"The Spotted Alfalfa Aphid"
"Improved Alfalfas for California"

General Reco
Date of Pl
Rate of Se
Variety
Fertilizati

By: E. H. Wood, Jr., Farm Advisor
A. D. Reed, Farm Mgmt. Specialist
9-59 - 200 c.

PRODUCE ALFALFA HAY

	Cash and Labor Cost Per Acre	
	Materials, Etc.	Total
Water 4¹	12.00	17.65
	2.25	3.85
	4.00	4.00
	18.25	25.50
$3.50/acre		17.50
.50		27.00
.50		15.00
		59.50
		$85.00

r Acre	Annual Cost		
	Interest (6%)	Depreciation	
	18.00		
	.75	5.00	
	.25	1.00	
	19.00	6.00	
			25.00
	Total Cost Per Acre		$ 110.00
	Cost per Ton at 6-Ton Yield		$ 18.35

ecommendations:

Planting - Preferably before October 15. For spring planting, as soon after February 1 as is possible.

Seeding - 10 to 20 pounds per acre.

- Certified Lahontan for aphid resistance.

zation - Not generally recommended.

SAMPLE COSTS FOR MOWING AND RAKING HAY

OPERATING COSTS: (Gas, Oil, Maintenance, Repair, Labor, etc.)

Mowing:

20 HP Tractor	$ .85 per hour
7' Mower	.50 per hour
Labor	1.50 per hour
Total	$ 2.85 per hour

Operating Cost at .3 hour per acre — $ .85 per acre

Raking:

20 HP Tractor	$ .85 per hour
Side Delivery rake	.50 per hour
Labor	1.50 per hour
Total	$ 2.85 per hour

Operating cost at .4 hour per acre — $ 1.15 per acre
Total operating cost per cutting — $ 2.00 per acre

OVERHEAD COSTS: In this example, only 1/2 of the value of the tractor is charged to the hay.

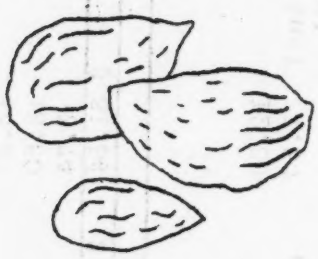
Item	Cost	Life	Depreciation	Interest (6%)
Tractor	$2800	10 yr.	$ 140.00	$ 42.00
Mower	450	5 yr.	90.00	14.00
Rake	700	10 yr.	70.00	21.00
			$ 300.00	$ 77.00
Total Overhead			$ 377.00 per year	

TOTAL OPERATING AND OVERHEAD COSTS:

For 20 Acres: Overhead = $18.85 per acre per year.
With 5 cuttings: Overhead Costs: $ 3.75
Operating Costs: 2.00
Total cost, per cutting — $ 5.75/acre

For 50 Acres: Overhead = $ 7.50 per acre per year.
With 5 cuttings: Overhead Costs: $ 1.50
Operating Costs: 2.00
Total Cost, per cutting — $ 3.50/acre

SAMPLE COSTS TO PRODUCE ALMONDS IN MERCED COUNTY



University of California
Agricultural Extension Service
Merced County

COST ANALYSIS WORKSHEET

SAMPLE COSTS TO PRODUCE ALMONDS IN MERCED COUNTY

Based on a yield of 1500 lbs. per acre. Man labor at $1.10 and $1.30 per hour. Medium wheel tractor cast cost $1.00 per hour, depreciation .41, interest, .19.

	Sample Costs		Year Costs	
	Per Acre	Per Cwt.	Per Acre	Per Cwt.
Pre Harvest Cash Costs:				
Pruning - 8 man hours	$ 8.80			
Brush disposal - 2 man & 1 tractor hour	3.40			
Cover crop & fertilize: 2 man & 1 tractor hour	3.40			
Cover crop seed & fertilizer	15.00			
Spraying: 2 man & tractor hours	4.60			
Spray material	22.00			
Cultivate & irrig. prep.: 6 man & tractor hours	13.80			
Irrigate: 6 x 8 man hours	8.80			
Water: Irrigation tax or power cost	5.00			
Frost protection: 4 man & 2 tractor hours	6.60			
Frost protection material (An. av.)	7.00			
Misc. labor: 3 man & 2 tractor hours	5.70			
Miscellaneous material	3.00			
County taxes	10.00			
Office, car, operating capital, etc.	10.00			
Repairs (except tractor)	3.00			
Total Pre-Harvest Cash and Labor Cost	$130.10	8.66		

Total Pre-Harvest Cash and Labor Cost	$130.10	8.68

Harvesting Costs:

Knock, pick & haul out @	45.00	
Hulling	45.00	
Haul to market	2.50	
Total Harvesting Cost	$ 92.50	6.16
Total Cash and Labor Cost		

Depreciation:

Trees - ($400.00 Cost - 30 year life)	13.30	
Buildings, irrigation, facilities & equipment	12.50	
Tractor: 14 hours @ 41¢	5.74	
Total Depreciation Cost	$ 31.54	2.10
Total Cash and Depreciation Cost		

Interest on Investment @ 6%:

Trees (Average value $200.00)	12.00	
Buildings, irrig. facilities & equip. (av. value $125.00)	7.50	
Tractor: 14 hours @ 19¢	2.66	
Land @ $700.00	42.00	
Total Interest on Investment	64.16	4.29
Total Cost of Production	$318.30	21.22

University of California
Agricultural Extension Service
Merced County
May 1959

Verner Carlson, Farm Advisor
Burt Burlingame, Extension Economist

1950

Dryland Barley Production Costs in Glenn County



Robert L. Sailsbery
Farm Advisor

A. D. Reed
Extension Economist

University of California
Agricultural Extension Service
Glenn County

SAMPLE COSTS
GL

1200 acres summer fallow
1200 acres harvested

Yield 1

OPERATION	Hours per acre	Cash Labor	Fuel and Repairs	
CULTURAL				
Plow - 1 time	.5	.80	1.35	
Disc - 3 times	.6	1.05	1.65	
Harrow - 1 time	.1	.15	.25	
Broadcast seed	.1	.15	.10	
Harrow	.1	.15	.25	
Weed Spraying	.1	.15	.10	
Taxes				
Misc.		.35	.30	
TOTAL CULTURAL COSTS		$2.80	$4.00	
HARVEST				
Combining 2-14' machines	.2	.65	2.40	
Hauling - 2 trucks	.2	.65	.35	1 tr
Storage				Stor
TOTAL HARVEST		$1.30	$2.75	
TOTAL CULTURAL AND HARVEST COSTS		$4.10	$6.75	

Cost Per Cwt. At Various Yields

Yield	Cost Per Cwt.
1,000	$4.25
1,400	3.04
1,800	2.36
2,200	1.93
2,600	1.63

INVESTMENT

	Per
Land 2 acres	$3
Tractor & Trucks	
Other Equipment	
TOTAL	$3

Total Cost per Acre
Minus Allowance for
Net Cost per Acre
Cost per Cwt. @ 1800

TS TO PRODUCE DRYLAND BARLEY
GLENN COUNTY

d 1800 lbs. per acre — Labor $1.60 per hour

ash and Labor Cost Per Acre				Your costs per acre
Materials, etc.			Total	
			2.15	
			2.70	
			.40	
Seed 100# @ $3.00 per cwt.	$3.00		3.25	
			.40	
3/4 lb. 2,4-D	.65		.90	
	3.00		3.00	
	.35		1.00	
	7.00		$13.80	
			3.05	
truck rented @ $5.00 per hour	1.00		2.00	
Storage @ $3.00 per ton	2.70		2.70	
	$3.70		$ 7.75	
	$10.70		$21.55	

	Annual Cost			
Per Acre	Depreciation	Interest 6%		
$300.00		$18.00		
20.00	$2.00	.60		
22.00	2.20	.65		
$342.00	$4.20	$19.25	$23.45	

re	$45.00	
or Sheep Pasture	2.50	
	42.50	
800 lbs. yield	2.36	

BASIS OF COST PRODUCTION

Costs: All machinery and equipment costs are based on present day costs for new equipment.

Hill Land Barley Production: Odd-shaped fields and slopes would increase the time for performing the various operations by 10 - 15 percent which would increase the costs proportionately.

Net Return per Acre at Various Prices and Yields Based on Production cost of $42.50 per acre.

	Price				
Yield	$1.60	$1.80	$2.00	$2.20	$2.40
1,400	-$20.10	-17.30	-14.50	-11.70	- 8.90
1,800	- 13.70	-10.40	- 6.50	- 2.90	+ .70
2,200	- 7.30	- 2.90	+ 1.50	+ 5.90	+10.30
2,600	- .90	+ 4.30	+ 9.50	+14.70	+19.90

Glenn County
January, 1958
150 copies

COSTS TO PRODUCE BARTLETT PEARS IN NEVADA COUNTY

By
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Farm Advisor, Nevada County
Grass Valley, California

A. Doyle Reed
Extension Economist
University of California
Davis, California

University of California
Agricultural Extension Service
Grass Valley, Nevada County
January - 1958

SAMPLE COSTS TO PRODUCE BARTLETT PEARS

YIELD - 6 ton per acre

Operation	Hours Per Acre	Labor	Fuel & Repairs	
CULTURAL				
Fall Blistermite spray	.5	.75	1.60	Spray Lim Sum
Pruning 100 trees @	.35	35.00	1.00	
Brush removal	1.0	2.50	1.25	
Sprays, Crack-Cluster)				Lime
Calyx)	2.0	3.00	6.40	DDT
1st cover)				DDT 4
Hormone)				1½ lbs
Fertilizer	.4	.60	.50	Amm su
Discing 2 ways	1.0	1.50	1.20	
Mowing 2 times	1.0	1.50	1.50	
Irrigation 5 times	15.0	15.00	2.00	Water
Blight cutting	15.0	15.00	1.00	
Prop or tie	4.0	4.00		Props
Taxes				
Misc		4.15	2.55	
TOTAL CULTURAL		83.00	19.00	

Harvest -	picking	250 bo
	yarding	250 bo
	hauling	250 bo
	Supervision	

INVESTMENT		Per Acre (Based on 40
Real Estate	Land	125
	Buildings	150
	Irrigation system	125
	Trees	600
Total Real Estate		1,000
Tractors and trucks		180
	Equipment	160
	TOTAL	1,340

Cost Per ton @ 6 ton yield 63.00

RS IN NEVADA COUNTY (40 Acres)

Cash and Labor Cost Per Acre

Materials and Other Cash		Costs	TOTAL COSTS /A.
ray	300 gals		
Lime sulfur	15 gals	5.25	
Summer oil	6 gals	3.10	10.70
			36.00
			3.75
ne sulfur 6 gals W. sulfur 12 lbs DDT 6 lbs		8.25	
T 6 lbs W. sulfur 12 lbs		3.00	
T 4½ lbs Aramite 4½ lbs W Sulfur 12 lbs		6.20	
lbs @ 2.00		3.00	29.85
n sulfate @ 300 lbs		9.00	10.10
			2.70
			3.00
er 1/2" /A. @ 15.00 Tax 2.00		17.00	34.00
			16.00
ps or twine		1.00	5.00
		8.00	8.00
		8.55	15.25
		72.35	174.35
boxes @	18¢ 45.00		
boxes @	10¢ 25.00		
boxes @	10¢ 25.00		
	5.00 /A.		100.00

40 acres)	Depreciation	(ANNUAL COST) Interest	
		6.25	
	5.00	3.75	
	12.50	3.15	
	15.00	15.00	
	32.50	28.15	
	18.00	4.50	
	16.00	4.00	
	66.50	36.65	103.15
		Total Cost per Acre	377.50

NET INCOME PER ACRE AT VARIOUS YIELDS - PRICES

	PRICE PER TON				
YIELD	$ 40	$ 50	$ 60	$ 70	$ 80
TONS					
4	-189	-149	-109	-69	-29
6	-140	-80	-20	40	100
8	-92	-12	68	148	228
10	-43	57	157	257	357
12	5	125	245	365	485
14	53	193	333	475	613

FIELD CORN COSTS IN STANISLAUS COUNTY

Agricultural Extension Service
University of California
Stanislaus County
E. E. Stevenson
Farm Advisor

COSTS TO PRODUCE FIELD

OPERATION	HOURS PER ACRE	CASH LABOR	CASH FUEL & REPAIRS -
CULTURAL:			
Land Preparation	2.5	$2.90	$3.00
Planting (2 men)	.5	1.15	.60
Cultivate: 2x & Fertilize	1.5	1.75	1.80
Irrigation: 1 Pre ,4 Crop	3.0	3.45	1.20
Taxes			
Miscellaneous Overhead		2.00	1.20
Total Cultural Costs		$11.25	$7.80
HARVEST			
Pick			
Drying			
Haul			
Total Harvest Costs			
Total Cash and Labor Costs			

COSTS/CWT. AT VARYING YIELDS

Lbs. Corn/Acre	Cost Per Cwt. Eastside	Westside
2,000	$5.75	$6.45
3,000	3.80	4.30
4,000	2.85	3.20
5,000	2.30	2.55
6,000	1.90	2.15

INVESTMENT	PER AC
Land	$500.
Irr. System	60.
Buildings	40.
Tractor & Truck	30.
Equipment	25.
Total	$655.

*Operations listed are for Eastside conditions. Westside

**Interest figured at 6 per cent on one-half of original co

LD CORN IN STANISLAUS COUNTY*

ASH AND LABOR COSTS PER ACRE EL AND S - EQUIP.	MATERIAL & OTHER COSTS		SAMPLE COSTS EASTSIDE	 WESTSIDE
			$ 5.90	$ 7.00
	Seed: 13 lbs. @.26	$ 3.40	5.15	5.15
	Nitrogen: 100 lbs. @.13	13.00	16.55	16.55
	Water: 3 ft.	1.50	6.15	19.20
		6.00	6.00	6.00
		1.35	4.55	4.55
		$25.25	$44.30	$58.45
	CONTRACT	10.00		
	5,000 lbs. @ $4.00/ton	10.00		
	@ $2.00/ton	5.00		
			$25.00	$25.00
			$59.30	$83.45

ACRE	ANNUAL COSTS DEPRECIATION	** INTEREST @ 6%		
500.00		$30.00		
60.00	$ 3.00 (20 yrs.)	1.80		
40.00	2.00 (20 yrs.)	1.20		
30.00	3.00 (10 yrs.)	.90		
25.00	2.50 (10 yrs.)	.75		
555.00	$10.50	$34.65	$45.15	$45.15
	TOTAL COST PER ACRE		$114.45	$128.60
	COST PER CWT.@ 5,000 LBS. YIELD		2.30	2.55

de costs are higher as indicated.
cost.

CORN CAN BE A PROFITABLE CROP ONLY IF COSTS ARE BELOW AVERAGE AND YIELDS ARE ABOVE AVERAGE;

The table on the opposite page shows sample costs of growing corn in Stanislaus County. They are based on typical operations for good farmimg practices and are not intended tc represent average costs. (Average production is about 3000 lbs. corn per acre.)

These costs are based on an owner-operator management. Where your crops are grown on a cash or crop share rental basis, rent should be substituted for interest on land, interest and depreciation on buildings and irrigation systems, land taxes and any other items paid for by the land owner.

Interest on investments is shown at 6%. Even if property is free from indebtedness, this item should be included in costs comparable to income that might be obtained from equivalent investments in other securities or income-producing property.

PROFIT OR LOSS?

The present "price-cost squeeze" makes it difficult to produce corn at a profit. Custom harvesting, shelling and drying may run $25-$30 an acre on a 2½-ton crop of shelled corn. Selling at harvest time has been "costing the grower" as much as $8 a ton or $20 an acre for a 2½-ton crop This can easily mean the profit or possibly even "red ink." Only good farmers on good land should attempt this crop.

WHAT WILL IT COST TO GROW COTTON IN KINGS COUNTY

O. D. McCutcheon* Burt Burlingame**

Based on a yield of 1000 lbs. of lint/acre. Man labor @ $1.05 and $1.30 per hr.; medium tractor @ $1.00 per hr., depreciation 41¢, interest 19¢

	Sample Costs Per Acre	Per Cwt.	My Costs Per Acre	Per Cwt.
PRE-HARVEST LABOR AND MATERIAL COSTS:				
Land preparation; 4 hrs-man and tractor, man hour @ $1.30	9.20			
Plant (4-row planter) 2 men & tractor .3 hr, man hr. @ $1.30	1.08			
Seed: 20 pounds @ 8¢	1.60			
Irrigate: 1 pre and 5 crop - 12 hrs, man hr. @ $1.05	12.60			
Water: power to pump 3 acre ft. @ $2.60	7.80			
Cultivate & fertilize: 3½ hrs. man & tractor, man hr @ $1.30	8.05			
Fertilizer: 80# of nitrogen @ 8¢	6.40			
Fertilizer application @ $1.75 per acre	1.75			
Hand weeding: 3 times - 12 man hrs. man hr @ $1.05	12.60			
Pest Control: 60 lbs. of DDT-Sulfur @ 10.5¢ Spray @ $4.00/acre	10.30			
Application Cost - Dust @ 5¢/lb; spray @ $2.25/acre	5.25			
County Taxes	7.00			
Office, car, operating capital, etc.	7.50			
Repairs: Irrigation system & equipment except tractor	3.50			
Miscellaneous labor 2 hrs @ $1.05; Tractor 1 hr; Material $1.00	4.10			
TOTAL PRE-HARVEST CASH COSTS	98.73	9.87		
HARVESTING COSTS:				
Defoliant: Two gals. material @ 85¢	1.70			
Application Cost $2.75 per acre	2.75			
Picking Machine (contract) 2200 lbs. Seed Cotton - @ $1.25 cwt. & 650 lbs. @ $1.50 cwt. (includes hauling)	37.25			
Ginning, bagging, ties, insurance, storage & sampling @ $15 per bale	30.00			
TOTAL HARVESTING COSTS	71.70	7.17		
TOTAL CASH COSTS	170.43	17.04		
DEPRECIATION:				
Irrigation System: (original cost $80) 17 yrs	4.70			
Buildings: (original cost $10) 20 years	.50			
Tractor: 7 hrs. @ 41¢	2.87			
Equipment: Cost $15 - 10 yrs. life	1.50			
TOTAL DEPRECIATION	9.57	.96		
TOTAL CASH AND DEPRECIATION COSTS	180.00	18.00		
INTEREST ON INVESTMENT @ 6%:				
Land at $500	30.00			
Irrigation system on 1/2 cost ($40)	2.40			
Buildings: on 1/2 cost ($5)	.30			
Tractor: 7 hrs. @ 19¢	1.33			
Equipment: on 1/2 cost (7.50)	.45			
TOTAL INTEREST	34.48			
TOTAL COST OF PRODUCTION	214.48	21.45		
Less Seed Credit for 1497 lbs. seed @ $43 per ton	32.19			
NET CASH COST OF PRODUCTION	182.29			

(January 1959)

* Farm Advisor

** Extension Farm Management Specialist

June 1957
100c

(204)
Farm and Home Advisors' Office,
University of California
Post Office Building, Oroville

DAIRY RANCH - GRADE A

Prepared by: Alva W. Mitchell, Butte County Farm Advisor
Doyle Reed, Farm Management Specialist, University of Calif.

The following data is one of a series that has been compiled on Butte County crops for the use of persons who are contemplating the purchase of a farm and need some sort of measure as to what might be expected in the way of costs and returns from different crops they might raise. These data are based on cost of production studies, crop reporting service price figures, and, in part on estimates. We believe they are as accurate as can be compiled for a purpose of this kind, but because of all of the variables involved, they must be used only as a basic guide.

Size of ranch ---------- 50 cows

INVESTMENT

Real Estate

Land - 60 acres @ $500	$30,000	
Irrigation system @ $125. per acre	7,500	
Building	14,925	
Fences @ $20 per acre	1,200	
Pasture stand - 55 acres @ $25	1,375	
Total real estate (excluding dwelling)		$55,000
Dairy equipment		4,000
Other equipment		5,000
Dairy stock -- Cows 60 @ $200	12,000	
Heifers - 25 @ $150	3,750	15,750
TOTAL		$79,750

Production

Cows - 9,400 lbs. milk - 375 lbs. B.F. per cow

Pasture - 10 animal unit months per acre (4 tons hay equivalent)

INCOME

Milk sales -- 90% of production - 700 lb. contract

Class I - B.F.	10,200 lbs.	@ $1.00		$10,200
Skim	245,300 lbs.	@ 1.75	per 100 lbs.	4,293
Class II - B.F.	6,720 lbs.	@ .68		4,570
Skim	160,780 lbs.	@ 1.00	" " "	1,608
Total milk sales				$20,671

Stock sales - Veal	30	@ $3	90.	
Heifers	15	@ $20	300	
Cows	12	@ $100	1200	
Total stock sales				1,590

TOTAL INCOME $22,261

EXPENSE

Feed - Pasture - 550 a.u.m. @ $5.	2,750	
Hay or equivalent 270½ tons @ $28	7,574	
Grain - 25 tons @ $57	1,425	
Total Feed		11,749
Labor		5,000
Taxes		250
Breeding fees - 50 @ $7.50		375
Veterinary		200
Supplies, power, etc.		1,250
Depreciation on dairy equipment		900
Interest on dairy investment		1,040
TOTAL COST		$20,764
NET INCOME		1,497

UNIVERSITY OF CALIFORNIA
Napa, August, 1957

AGRICULTURAL EXTENSION SERVICE
Napa County

THE EGG BUSINESS IN NAPA COUNTY

Keith Bissell, Farm Advisor

Farm Management
Arthur Shultis, Extension Economist

SITUATION - Profit in egg production fluctuates from year to year with changes in egg prices and feed costs. Napa County, on the edge of the large consuming San Francisco Bay area, is favorably located for commercial egg production at a profit. Egg marketing channels and sources of feed, chicks and supplies are good. The poultryman using good management can make an adequate income over the years from his management, labor and invested capital. This may vary from as low as $1 a hen in some years to as high as $3 in others. He must be prepared to weather a year of low prices with little or no earnings such as 1956.

SIZE OF BUSINESS - With a net farm income averaging $2 a hen you can select a size to fit your income needs and desire to work. With proper design of equipment you can run an egg business with about one hour of labor per hen for a year. A flock averaging 2000 hens for the year would require about 2000 hours of labor and provide a net income from $2000 to $6000 a year if management is good. Some do better and some do worse and fail. The sample investment and costs on the other side of this sheet are based on a 2000 hen average, which is the minimum recommended. A couple can handle 3000 hens.

LAND BUILDINGS AND EQUIPMENT - Land here is of high value but fortunately egg production requires only a small acreage and should not be in a congested area and need not be of high agricultural value. From 2 to 5 acres of land would meet minimum essentials for a 2000 hen business and a home site. Consider a little more land than the minimum for possible expansion. Instead of the 2 acres shown in the example 4 would be better. For permanence avoid a potential subdivision area. There are several systems of housing layers - cages, small pens on wire and floor houses. For a new business, a beginner finds some advantages in cages. Our example and investment are for this system. In buying land or an existing place consult your local poultry farm advisor regarding the suitability of location and buildings.

CAPITAL REQUIRED - The first table on the other side shows a sample investment in a 2000 hen cage plant with a probable cost new of around $30,000 including the dwelling and laying hens. With depreciation over the years average value would be less -- around $6.50 per hen in the chicken business only. It is important to obtain income as soon as possible after a purchase. Start with baby pullets so get the brooder house ready first. Egg production starts about 6 months later by which time you will have invested about $2 in each 6 month layer. It is unwise to start a new business by buying older hens and introducing diseases and parasites.

REPLACEMENTS - In a going egg business you need to cull non layers and birds around 18 months of age, so you have to buy about 2000 baby pullets each year to maintain an average of 2000 good layers. Space in the brooding house is provided for about 660 chicks, so you would brood about 3 times a year, starting chicks, in December, February and June would be the best time. This would enable you to maintain a good flock in the 2320 cages provided in the investment shown.

SAMPLE INVESTMENT FOR AN EGG BUSINESS WITH INDIVIDUAL CAGES FOR AN AVERAGE OF 2000 HENS, NAPA COUNY

	Original cost	Depreciation	Average value	Per hen
Land 2.0 acres, @ $1000	$ 2000	$ -	$ 2000	$ 1.00
4-Cage houses 16' x 116', 2320 cages	7200	480	3600	1.80
2-Growing pens 8' x 116'	1800	120	900	.45
1-Brooder house 20 x 40, including equipment	1500	90	750	.38
1-Egg room and equip. in utility bldg. 16'x 24'	1200	70	600	.30
3-Bulk feed tanks	1200	60	600	.30
Water system ($1000, ½ to dwelling)	500	25	250	.12
Gravelling service drive 4650 sq. ft.	465	-	465	.23
Total Poultry buildings and equipment	15865	845	9165	4.59
Feed and Poultry investment	4000	-	4000	2.00
Total poultry investment	19865	845	13165	6.59
Dwelling and 0.5 acre	10500	300	5500	2.75
Total poultry farm investment	30365	1145	18665	9.34

SAMPLE ANNUAL INCOME, INPUTS, COSTS AND PROFIT

For a 2000-hen egg business as a going concern

Items of Income		Quantity Total	Quantity Per hen	Average price	Total value	Per hen
Egg sales (222 per hen)	dozen	37000	18.5	$ .40	$14800	$ 7.40
Cull hens sold and eaten	No.	1600	.8	.50	800	.40
Young poultry sold and eaten	No.	60	.03	.60	36	.02
Manure sold	Cu.Ft.	1000	.5	.10	100	.05
Total income					$15736	$7.87
EXPENSES						
Mash and pellets, laying and chick		120000	60	$4.80	$ 5760	2.88
Grain, milo, barley, etc.		115000	55	3.00	3450	1.72
Grit, shell and miscel.		15000	.8	1.00	150	.08
Total feed cost					9360	4.68
Chicks bought		2000	1.0	.40	800	.40
Hired labor - occasional help	hr.	200	.1	1.50	300	.15
Miscel. supplies, electricity, etc.					800	.40
Taxes $250, Insurance 20					270	.14
Depreciation, buildings and equip.					845	.42
Sub total cash and depreciation costs					12375	6.19
Value of operators labor	hr.	1800	.9	1.50	2700	1.35
Interest on average investment		$13165		5%	658	.33
Total costs of production					15733	7.87
Net farm income - Income less cash costs and depreciation					3361	1.68
Management income - Income less total costs					3	.00

The above assumes better than average efficiency, selling 22[illegible] eggs per hen from 115 lbs of feed, including chicks, or 6.2 lbs. per dozen. Mortality is around 7% in chicks and 14% in hens. These efficiencies are allowable with good care and management. Earnings above are based on an average egg price of 40¢ a dozen. Below are earnings if all other prices were the same but with different egg prices.

Egg price per dozen	32¢	36¢	40¢	44¢	48¢
Total net farm income 2000 hens	$ 401	$1881	$3361	$4841	$6321
Total management income 2000 hens	-2957	-1477	3	1483	2963
Net farm income per hen	.20	.94	1.68	2.42	3.16
Management income per hen	-1.48	- .74	00	.74	1.48

FREESTONE PEACH PRODUCTION
BANNING BENCH

VARIETIES: Babcock, Robin, July Elberta, Faye Elberta, J. H. Hale, and Rio Oso Gem are the main varieties. The harvesting season begins in early July and continues into September.

ROOTSTOCKS: Most generally used rootstock has been Lovell peach, although recently, some S-37 has been tried.

DISEASES: The area is under Peach Mosaic quarantine. Some trees come down with the disease each year and are rogued out by inspection teams under the State Department of Agriculture. Ring spot virus is common in the area, causing severe reactions in trees when first innoculated. These usually recover and produce normally although the virus is a limiting factor in Rio Oso Gem production. Crown gall is quite common and there is some root knot nematode which may limit production in some orchards. Peach leaf curl is treated for annually.

FERTILIZER: Peaches are rather liberally fertilized. A good deal of poultry manure is being used, which is obtainable locally. Nitrogen applications probably average around two pounds of actual nitrogen per tree per year.

PRUNING: Trees are pruned yearly to reduce the amount of fruiting wood, shape the tree, reduce shading, and stimulate production of suitable fruit wood the next season.

THINNING: Size is important in peaches for the Los Angeles market. The local practice is to thin by hand when the young peaches are about the size of the thumb, leaving the fruit eight inches to 10 inches apart on the shoot.

INSECTS: Peach tree borer, peach twig borer, shot hole borer, and occasionally, clover mite are troublesome. See the Agricultural Extension Service's "1959 Spray, Dust, and Fumigation Program for Peaches and Nectarines" for suggested treatments.

MARKETING: Practically all freestones are sold fresh on the Los Angeles wholesale market. Banning peaches usually ripen two weeks or so after the San Joaquin season and supply the market when shipments from that area are at a minimum.

Agricultural Extension Service, Room 7, Post Office Building, Riverside.

FREESTONE PEACH PRODUCTION STATISTICS
RIVERSIDE COUNTY

YEAR	ACREAGE	AVE. YIELD/A	PACKED BASIS F.O.B. PRICE	TOTAL VALUE
1952	1105	271 lugs	$1.77 per lug	$530,270.00
1953	1085	127 "	2.25 " "	309,530.00
1954	854	439 "	1.54 " "	577,960.00
1955	855	341 "	1.74 " "	359,030.00
1956	854	399 "	1.65 " "	563,040.00

FREESTONE PEACHES - SAMPLE COSTS OF PRODUCTION
Banning Bench

ITEM	LABOR & EQUIP. COST/Ac.	MATERIALS KIND & COST/AC.		TOTAL COST/Ac.
Prune	$75.00			$ 75.00
Brush disposal	2.50			2.50
Pest & disease control	6.30	Lime Sulfur, DDT	$11.20	17.50
Fertilize	7.50	Chicken Manure	30.00	37.50
Disc 4x (2 ways)	20.00			20.00
Furrow 4x	6.00			6.00
Irrigate 7x	16.00	3 acre feet	37.50	53.50
Thin	100.00			100.00
Wire supports				5.00
Miscellaneous	6.00		3.00	9.00
Total Cultural				$326.00
Pick & Haul @ .19/box				76.00
Pack @ $.65/pack box	100.00		160.00	260.00
Comm.@15%(based on $1.70/lug)				102.00
Marketing Assess. @2.5¢/lug				10.00
Total Harvesting & Selling				$448.00
Supervision and management				$ 21.50
General expense at 5% of above (except harvesting)				17.38
Taxes				20.00
Insurance				5.00
Repairs				5.00
Total Cash Overhead				$47.38
Total Cash Costs				$842.88

Based on a yield of 400-22 pound lugs.

The above sample costs are based on contract rates and include interest on investment and depreciation on equipment. To get total costs, add all other in interest and depreciation costs for land, buildings, and irrigation system. If not sold F.O.B., add commission and transportation costs to market.



MUSCAT GROWING COSTS IN KINGS COUNTY

A. D. Reed
Extension Economist

Lyndon C. Brown
Farm Advisor

University of California
Agricultural Extension Service
Kings County

January, 1958
Yield - 8 Tons

Operation	Hours Per Acre	Labor	Fu Re
Cultural			
Pruning 500 vines @ 3¢		15.00	
Fertilizing	.5	.60	
Dust 3 times	.7	.85	
Spray for leaf folder	.5	.65	
Tillage	4.5	5.20	
Irrig. Prep.	5.0	5.00	
Irrigate 3 times	8.0	8.00	
Miscellaneous		4.00	
Taxes			
Total Cultural		39.30	
Harvest			
Picking		76.00	
Hauling			
Total Harvest		76.00	
Total Cash & Labor Cost		115.30	

Cost Per Ton At Various Yields

Yields	Cost per Ton
5 Tons	$ 51.00
6 Tons	45.00
7 Tons	40.00
8 Tons	37.00
9 Tons	34.00
10 Tons	32.00

Investment

Land	
Irrig. Facilities	
Buildings	
Trees	
Tractor & Trucks	
Equipment	
Total	

Total Cost Per Ac

STS TO PRODUCE MUSCAT GRAPES
Kings County

Labor $1.15/hr.

Cash and Labor Cost Per Acre			
Fuel and Repairs	Materials		Total
			$ 15.00
.25	Nitrogen 25 lb. @ 14½¢	$ 3.60	4.45
.85	Sulphur 20 lb. DDT 2 lb.	1.05	2.75
.35	Lead arsenate & sulfur 350gal	6.00	
	Application @ 2¢	7.00	14.00
7.30			12.50
			5.00
3.00	Power for 3 ac. ft. @ $1.75	5.25	16.25
2.00		11.30	17.30
		10.00	10.00
13.75		44.20	97.25
			76.00
	Haul 8 tons	20.00	20.00
		20.00	96.00
13.75		64.20	193.25

	Per Acre	Annual Cost Depreciation	Interest	
	$900	$	$54.00	
ies	60	3.00	1.80	
	40	2.00	1.20	
	360	9.00	10.80	
ks	100	10.00	3.00	
	40	3.75	1.20	
		27.75	72.00	99.75
Acre (8 Ton Yield)				293.00

The costs reported in this leaflet are not average costs. There is a difference between each grower's costs.

These sample costs may be of benefit to a prospective buyer. They may be of help to growers in figuring out how much cash outlay they will need for the coming year. They also may help in analyzing the various farm enterprises which may fit into the farm operation.

Other leaflets which are available from the Kings County Agricultural Extension Service are:

Alfalfa Hay
Silage Harvesting Costs
Irrigated Pasture in Kings County
Seasonal Pasture
Blackeye Beans in Kings County
Green Chopping Alfalfa
Barley Production in Kings County
Costs of Growing Cotton in Kings County
Castor Bean Growing & Costs
Costs of Producing Apricots
Costs of Producing Freestone Peaches
Costs of Producing Thompson Seedless Grapes

Feb., 1958
75c

NAVEL ORANGES

SAMPLE PRODUCTION COSTS FOR SAN BERNARDINO COUNTY 1958-1959

Prepared By
Richard E. Puffer
Farm Advisor
and
H. Fisk Phelps
Extension Economist, Farm Management
Agricultural Extension Service
University of California

SAMPLE COSTS TO PRO

San Bernardino County

Based on a 10-acre owner operation, 90 trees/acre, 60 year ol
yield of 300 field boxes per acre, labor $1.50 per hour or by

Operation	Labor and Equipment	Kind
Fertilize	$ 2.00	2 lbs. act
Irrigation - 16 times	30.00	Water - 4
Pest Control - 3 treatments		Contract
Other Pests (gophers)	3.00	
Frost Protection		Labor, gas
Cultivation and Weed Control	2.00	Contract - 3 furrowin
Remove and Plant Trees	3.00	1 tree
Pruning and Brush Disposal	15.00	
Miscellaneous	10.00	
TOTAL CULTURAL COSTS		
Pick - 300 field boxes @ 23¢ per field box		
Haul - 300 field boxes ¢ 6¢ per field box		
TOTAL HARVEST COSTS		

	Investment Per Acre	Depreciation Per Acre	Interes Per Acr
Land	$2000.00	$ - -	$100.0
Trees - 40 years	1000.00	25.00	25.0
Irrigation System - 20 years	200.00	10.00	5.0
Wind Machine (100 HP) - 10 yrs.	370.00	37.00	9,2
Heaters (20/Ac) - 10 years	120.00	12.00	3.0
	$3690.00	$84.00	$142.2

*Land @ 5%; trees, irrigation system, wind machine, and heaters 1/2 value @ 5%.

PRODUCE NAVEL ORANGES

nty 1958 - 1959 Season

old trees, furrow irrigated, wind machine (gas) plus heaters,
by contract.

Materials	Cost	Total Cost Per Acre	Costs Per Field Box
actual N/tree	$23.50	$ 25.50	
4 ft. (8 month season)	30.00	60.00	
t		80.00	
		3.00	
gasoline, heater oil		48.00	
t - 3 discings	18.00		
wings	4.50	24.50	
	3.00	6.00	
		15.00	
		10.00	
		$272.00	$ .91
		$ 69.00	
		18.00	
		$ 87.00	$ .29

erest* Acre		
0.00	Taxes	$ 36.00
5.00	Insurance	5.00
5.00	Maintenance and Repair	10.00
9.25	General Expense	40.00
3.00		
2.25	CASH OVERHEAD	$ 91.00 / $ .30
	TOTAL CASH COSTS	$450.00 / $1.50
	Depreciation	$ 84.00 / $ .28
	Interest on Investment	142.25 / .47
	NON-CASH OVERHEAD	$226.25 / $ .75
	TOTAL ALL COSTS	$676.25 / $2.25

The sample costs in this data sheet were revised from the previous year's data sheet by contacting a number of growers. The growers decided that the costs in this data sheet would be the average costs for a well cared for typical Navel orchard in the Redlands-Highland area of San Bernardino County.

The yield is based on the 1958-1959 crop of Navels. Costs are for the 1958 calendar year. The yields and various costs in the growing of Navel oranges in San Bernardino County vary considerably. Some orchards had no crop again this year, while others had a near normal crop. The average was approximately 72 per cent of a normal crop.

IN SUMMARY

	Per Acre	Per Field Box	Your Cost Per Acre	Your Cost Per Field Box
Cultural Costs	$272.00	$ .91		
Cash Overhead	91.00	.30		
TOTAL ON TREE CASH COSTS	363.00	1.21		
Harvesting Costs	87.00	.29		
TOTAL ALL CASH COSTS	450.00	1.50		
Depreciation	84.00	.28		
Interest on Investment	142.25	.47		
TOTAL NON-CASH OVERHEAD	226.25	.75		
TOTAL ALL COSTS	$676.25	$2.25		

Strawberries

SAMPLE COSTS

AND

COST ANALYSIS

Agricultural Extension Service
University of California
Stanislaus County

Paul D. LaVine
Farm Advisor

Burt Burlingame
Extension Economist
Farm Management

250/c-11/10/58
File #4.1333

COST ANALYSIS WORK SHEET

SAMPLE COSTS PER ACRE TO ESTABLISH STRAWBERRIES IN STANISLAUS COUNTY - 1958

Single row planted - (no yield)
Man labor at $1.00 & $1.25 per hour
Light tractor per hour, cash cost 82¢
Depreciation 43¢
Interest 20¢

CASH AND LABOR COSTS:	Sample Cost Per Acre	Your Cost Per Acre
Chisel and float - - - - contract	20.00	
Tillage & bed preparation - 5 hours man & tractor	10.35	
Fumigation for nematode - - - - contract	50.00	
Soil insects treatment - contract application	2.50	
Soil insects treatment - material	18.00	
Sub total land preparation & treatment	100.85	
Planting - 10 man & 2 tractor hours	12.14	
Plants - 9,000 @ 15.00 M	135.00	
Irrigation - 30 X - 40 man hours	40.00	
Water: Irrig. dist. & (pump 4A ft. @ 1.00)	5.50	
Fertilizer - applied in water - 50# N @ 13¢	6.50	
Cultivate: 7 hour man & tractor	14.49	
Hoe & weed & transplant skips @ 1.00 /hour 4 X	100.00	
Pest control - application & material	10.00	
Misc: 3 man hours, 1 tractor hour, material $5.00	9.07	
County taxes: equipment only	1.00	
Office, car, operating capital, etc.	20.00	
Repairs except tractor	3.00	
Land rent	75.00	
Total cash and labor cost	532.55	
DEPRECIATION:		
Irrigation facilities: $50.00 cost 10 years life	5.00	
Tractor: 15 hours @ 43¢	6.45	
Other equipment: $25.00 cost 10 years life	2.50	
Total depreciation	13.95	
Total cash and depreciation cost	546.50	
INTEREST ON INVESTMENT @ 6%:		
Irrigation facilities: on ½ ($25.00)	1.50	
Tractor: 15 hours @ 20¢	3.00	
Other equipment: on ½ (12.50)	.75	
Total interest on investment	5.25	
Total costs to establish	551.75	

How to use this cost analysis work sheet -

The sample costs are an average of the costs from eight growers in the area of San Joaquin, Stanislaus and Merced Counties. Place your costs in the spaces provided. By doing this you may find that in some operations you are out of line and may need to make some adjustments.

Sample costs may be high -

Occasionally sample costs are criticized when growers continue growing a crop at market prices below the costs. Generally at these times the grower is using depreciation, interest on the investment, and not charging for their own time or management income. One of the biggest mistakes a farmer can make is to talk gross incomes without making mention of the costs.

You have probably heard, "Someone told me that Joe Doaks made $1,000 an acre with strawberries." What does that mean? Probably that Joe Doaks sold 10,000 pounds of berries at ten cents a pound. So Joe didn't make $1,000, he lost money. With the spread between the cost received by the farmer and prices paid by the consumer, the sample cost sheet can be used to a great advantage by pointing out more precisely what the farmer is actually making.

In a cost study there are variables -

There are certain costs which vary considerably from area to area - - these are rent, district tax, irrigation tax, pest control, and well. The spacing of the plants will make a great difference in the first year costs, a double row system uses twice as many plants as the single row. (single row 9-10,000 - double row 18-20,000)

The rent will vary depending on type of soil and whether there is a well on the property.

Strawberry land should be level -

Land leveling costs are not considered in this publication as they are generally carried by the owner on rented land.

Strawberry growers in the area for which this study is intended prefer land that is table top level.

Charge the costs off in two years or three -

Growers frequently are faced with the advisability of carrying a field into its third year of production and if they should, how the production costs should be charged off.

From the information in the cost study, we can come up with these figures, if we assume that all of the first year costs were charged to the crop in the second year, or if it paid to carry over the stand for the third year with only an 8,000 pound yield. If the grower charges all of the first year costs to the second year's production, he would come out with a figure of 14.6¢ per pound which indicates that it would pay to carry the stand the third year with an 8,000 pound yield assuming that the price was at least equal to the cost of production. If he allocates the first year's cost on the basis of production in the second and third years, it would mean charging 60 per cent of the first year's cost to the second year's production and 40 per cent to the third year's production. On this basis the cost for the second year's crop would be 12.8¢ per pound and the third year's costs 14.4¢ per pound.

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE STRAWBERRIES IN STANISLAUS COUNTY - 1958

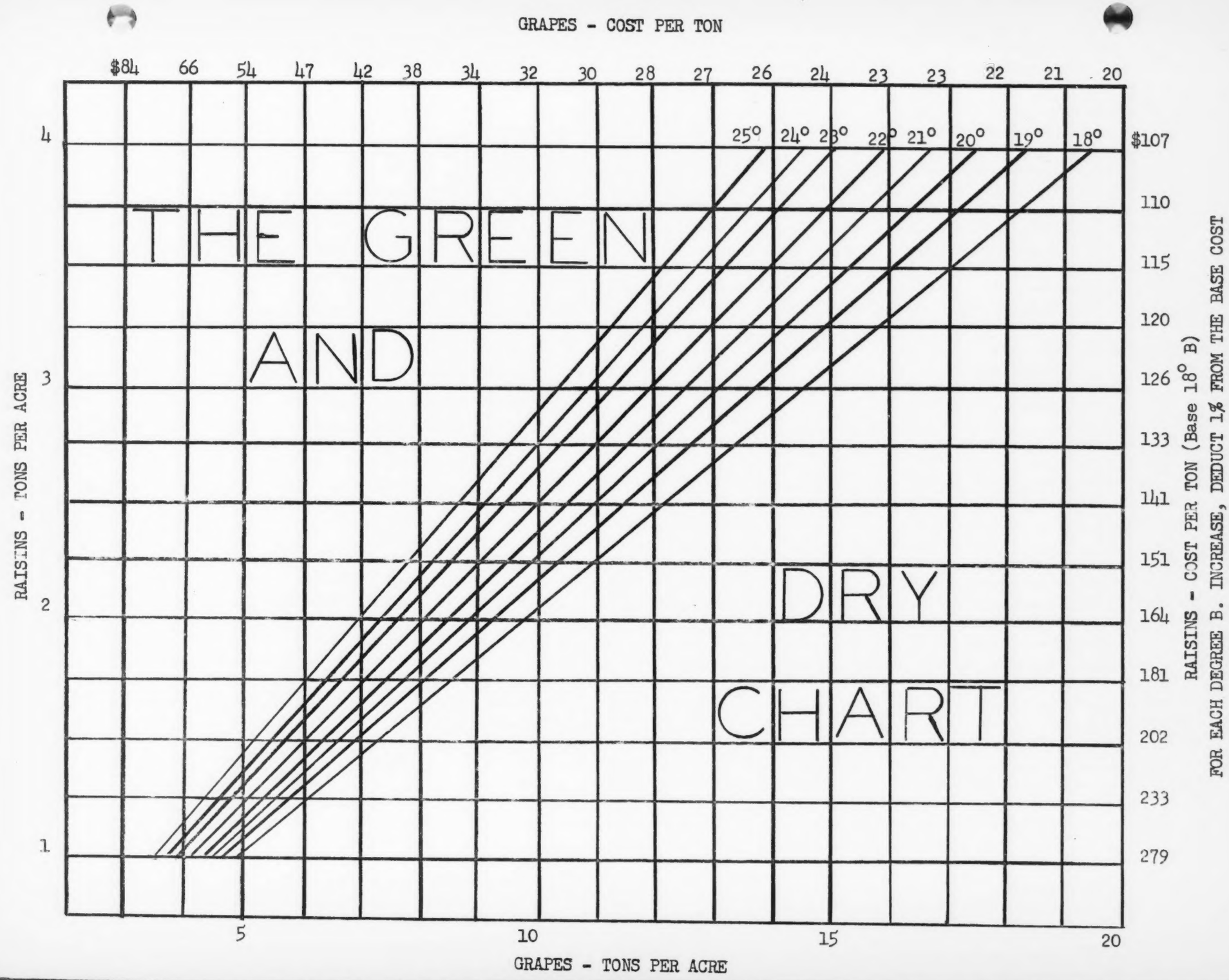
Second and third years on rented land. Yield basis: 2d yr. 12,000 lbs.; 3rd year, 8,000 lbs.; Ave. per yr. of 10,000 lbs. Man labor at $1.00 and $1.25 per hr. Light tractor per hr., cash cost 82¢, depreciation 43¢, interest 20¢.

	Sample Costs		Your Costs	
	Per Acre	Per Lb.	Per Acre	Per Lb.
PRE-HARVEST CASH COSTS:				
Fertilize: 4 to 6x (some applied in water)	$ 3.00			
Fertilizer	30.00			
Beat tops: man & tractor ½ hr.	1.04			
Irrigation: 30 times - 40 man hrs.	40.00			
Water: irrig. dist. $1.50 + pump power 4A ft. $4	5.50			
Cultivation: 4x - man & tractor 4 hrs.	8.28			
Hoe & weed: 4 times	160.00			
Pest control: 2x - labor & material	14.00			
Misc. 3 man hrs., 1 tractor hr., mat'l. $5	9.07			
County taxes: equipment only	1.00			
Office, car, operating capital	13.75			
Repairs: irrig. & equip. except tractor	3.00			
Land rent	75.00			
Total Pre-Harvest Cash and Labor Cost	$363.64	3.6¢		
HARVESTING CASH COSTS:				
Picking @ 6¢ per lb. (includes supervision)	600.00	6.0		
Hauling @ $6.00 per ton	30.00	0.3		
Crate cost @ 4¢	33.20	0.3		
Misc. harvest cost	10.00	0.1		
Total Harvest Cash Costs	$673.20	6.7¢		
TOTAL CASH AND LABOR COSTS	$1036.84	10.3¢		
DEPRECIATION:				
Stand: ½ of 1st year costs of $551.75	275.88			
Irrigation facilities: Cost $50 - 10 yrs. life	5.00			
Tractor: 5½ hrs. @ 43¢	2.37			
Other equipment: Cost $25 - 10 yrs. life	2.50			
Total Depreciation	$285.75	2.9¢		
TOTAL CASH AND DEPRECIATION COST	$1322.59	13.2¢		
INTEREST ON INVESTMENT @ 6%:				
Stand: on ½ of cost ($275.88)	16.55			
Irrigation facilities: on ½ cost ($25)	1.50			
Tractor: 5½ hrs. @ 20¢	1.10			
Other equipment: on ½ cost ($12.50)	.75			
Total Interest on Investment	$ 19.90	0.2¢		
TOTAL COST OF PRODUCTION	$1342.49	13.4¢		

Cost per lb. at Varying Average Yields for the 2d and 3rd Years

Average Annual Yield - pounds per acre	6,000	8,000	10,000	12,000	14,000
Cash and Depreciation Cost	17.6¢	14.9¢	13.2¢	12.1¢	11.4¢
TOTAL COST OF PRODUCTION	17.9¢	15.1¢	13.4¢	12.3¢	11.5¢

Prepared by Paul LaVine and Burt Burlingame


GRAPES - COST PER TON
$84 66 54 47 42 38 34 32 30 28 27 26 24 23 23 22 21 20
25° 24° 23° 22° 21° 20° 19° 18°
$107 110 115 120 126 133 141 151 164 181 202 233 279
4
3
2
1
THE GREEN AND DRY CHART
RAISINS - TONS PER ACRE
RAISINS - COST PER TON (Base 18° B)
FOR EACH DEGREE B. INCREASE, DEDUCT 1% FROM THE BASE COST
5 10 15 20
GRAPES - TONS PER ACRE

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE STRAWBERRIES IN STANISLAUS COUNTY - 1958

Second and third years on rented land. Yield basis: 2d yr. 12,000 lbs.; 3rd year, 8,000 lbs.; Ave. per yr. of 10,000 lbs. Man labor at $1.00 and $1.25 per hr. Light tractor per hr., cash cost 82¢, depreciation 43¢, interest 20¢.

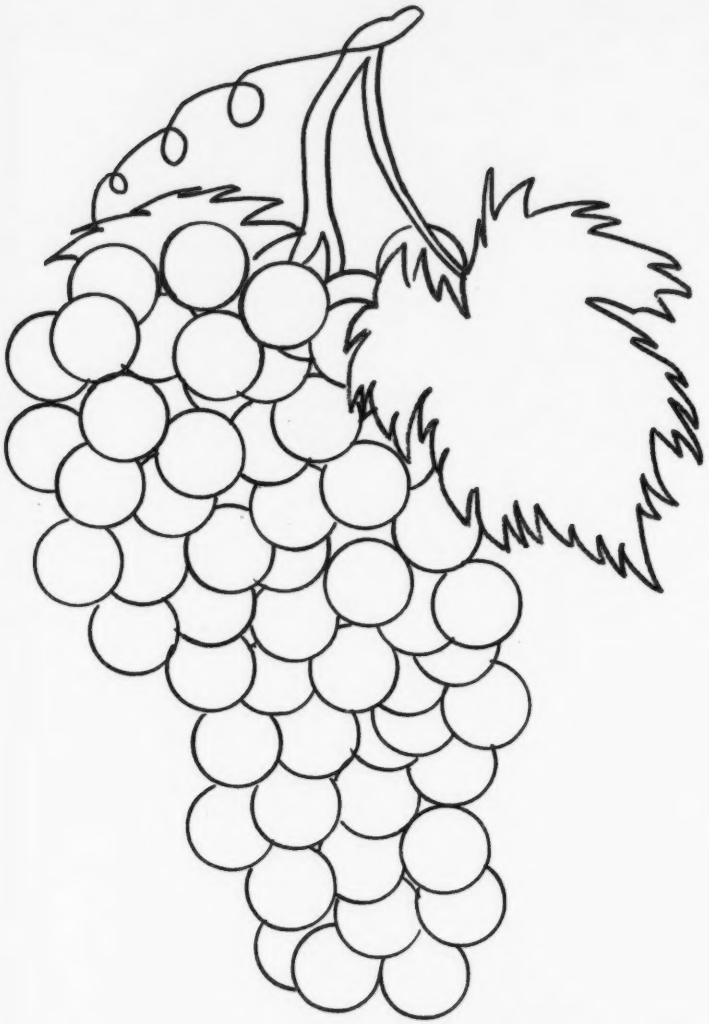
	Sample Costs		Your Costs	
	Per Acre	Per Lb.	Per Acre	Per Lb.
PRE-HARVEST CASH COSTS:				
Fertilize: 4 to 6x (some applied in water)	$ 3.00			
Fertilizer	30.00			
Beat tops: man & tractor ½ hr.	1.04			
Irrigation: 30 times - 40 man hrs.	40.00			
Water: irrig. dist. $1.50 + pump power 4A ft. $4	5.50			
Cultivation: 4x - man & tractor 4 hrs.	8.28			
Hoe & weed: 4 times	160.00			
Pest control: 2x - labor & material	14.00			
Misc. 3 man hrs., 1 tractor hr., mat'l. $5	9.07			
County taxes: equipment only	1.00			
Office, car, operating capital	13.75			
Repairs: irrig. & equip. except tractor	3.00			
Land rent	75.00			
Total Pre-Harvest Cash and Labor Cost	$363.64	3.6¢		
HARVESTING CASH COSTS:				
Picking @ 6¢ per lb. (includes supervision)	600.00	6.0		
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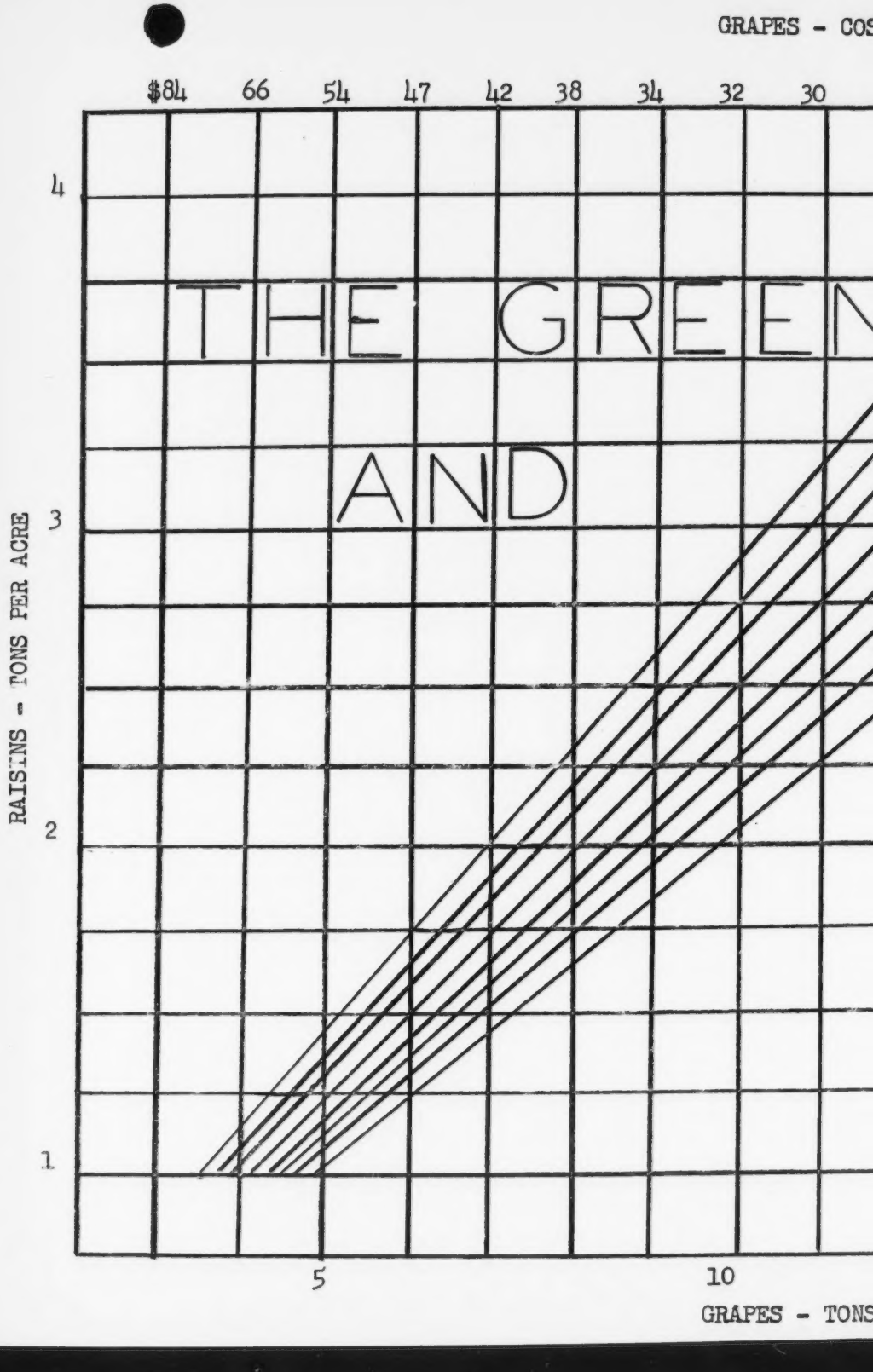
Prepared by Paul LaVine and Burt Burlingame

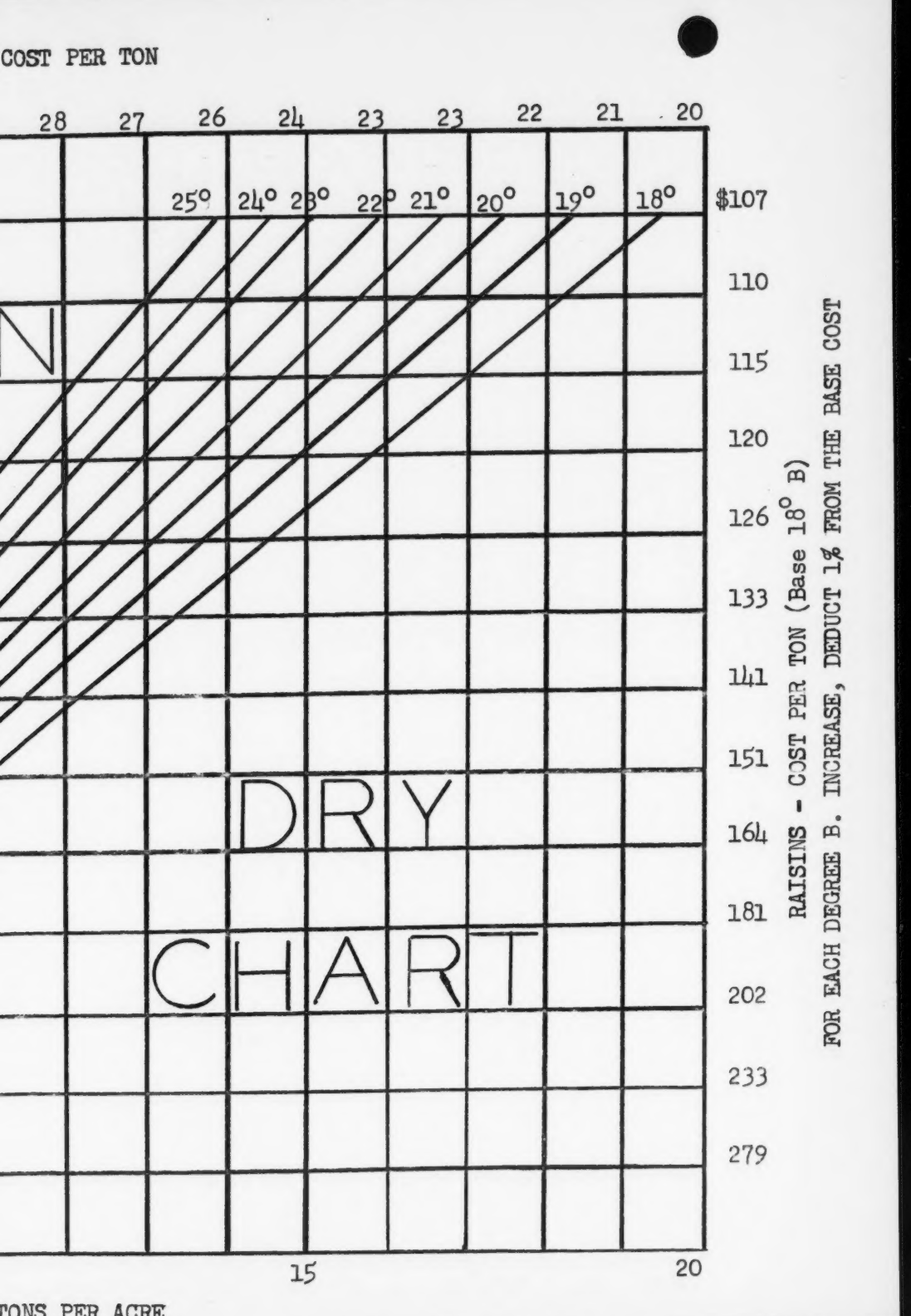
THE COST OF PRODUCING THOMPSON SEEDLESS GREEN OR DRY



University of California
Agricultural Extension Service
Madera County

Paul P. Baranek
Farm Advisor


GRAPES - COS
$84
66
54
47
42
38
34
32
30
4
3
2
1
THE GREEN
AND
RAISINS - TONS PER ACRE
5
10
GRAPES - TONS


COST PER TON
28 27 26 24 23 23 22 21 20
25° 24° 23° 22° 21° 20° 19° 18°
$107
110
115
120
126
133
141
151
164
181
202
233
279
DRY
CHART
15
20
TONS PER ACRE
RAISINS - COST PER TON (Base 18° B)
FOR EACH DEGREE B. INCREASE, DEDUCT 1% FROM THE BASE COST

HOW TO USE THE GREEN AND DRY CHART

Grape Growers:

Every year you are faced with the problem of selling your Thompson Seedless grapes green or else making raisins. Do you know the cost of production? The green and dry chart on the inside page will give you this information.

First - Estimate your yield in tons per acre.

Second - Obtain a sugar test of your grapes.

Sample problem - What is the cost of producing Thompson Seedless grapes to be sold green or as raisins when the yield is 12 tons per acre and the sugar test is 20° B?

Cost when selling green:

On the chart, start at 12 tons per acre and follow the vertical line to the top, which shows a cost of $28 per ton.

Cost when making raisins:

Again, start at 12 tons and follow the vertical line to the point of intersection with the 20° B line. On the left side of this point on the horizontal line, the raisin production is 2.7 tons per acre. Directly opposite on the right side is the cost of producing raisins, or $134 per ton. Since this is the base cost at 18° B, it is necessary to deduct one per cent for each increase in degree B, or 2% x $134 = $2.68, or three dollars. Then the cost is $134 - 3 or $131 per ton for producing raisins.

July 1957

Valencia Oranges

SAMPLE PRODUCTION COSTS FOR EASTERN LOS ANGELES COUNTY

1957

Prepared by
James A. Beutel
Farm Advisor
and
H. Fisk Phelps
Extension Economist, Farm Management
Agricultural Extension Service
University of California

1957 VALENCIAS

SAMPLE PRODUCTION COSTS FOR EASTERN LOS ANGELES COUNTY

Based on: 10-acre owner operation, 900 trees, 30 years old
Yield 275 boxes, labor $1.50 per hour or by contract

Operation	Per Ac.	Per F.B.
CULTURAL COSTS (Labor and Materials)		
Fertilization		
Manure-3 cu.ft. chicken (2#N)/tree @ 10¢ cu.ft. sp.	$ 27.00	
Chemical-2# actual N/tree @ 14¢/# of N.var. sources	25.20	
Spreading chemical nitrogen (hand or spreader)	1.50	
Irrigation - permanent furrows		
Water - total 24 inches/year	30.00	
Labor - 8 irrigations	20.00	
Pest Control - insects-oil plus spring spray (contract)	65.00	
Weed Control with weed oil-3X boom, 2X spot(contract)	30.00	
Frost Protection		
Heaters - labor handling only this year	10.00	
Windmachine - standby and electricity 25 hp	20.00	
Remove and replant trees in normal replacement	12.00	
Miscellaneous labor	10.00	
TOTAL CULTURAL COSTS	$ 250.70	$ .91
CASH OVERHEAD		
Taxes	55.00	
Insurance	6.00	
Maintenance, repairs, nuisance damage	15.00	

Maintenance, repairs, nuisance damage	15.00	
General expense and supervision	35.00	
TOTAL CASH OVERHEAD	$ 111.00	$ .40
TOTAL ON TREE CASH COSTS	$ 361.70	$ 1.31
HARVESTING COSTS		
Picking @ 26¢ per field box	71.50	
Hauling @ 5¢ per field box	13.75	
TOTAL HARVESTING	$ 85.25	$ .31
TOTAL ALL CASH COSTS	$ 446.95	$ 1.62
DEPRECIATION		
Trees $9,000 on 10 acres - 40 years.	22.50	
Cement pipeline and stands $2,000, 10 ac. - 30 yrs.	6.67	
Windmachine 25 hp elec. $2,500 - 10 ac. - 10 yrs.	25.00	
Orchard heaters and oil tank, $2,000, 10 ac. 15 yrs.	13.33	
Weed sprayer & Misc. equip. $550, 10 ac. 10 yrs.	5.50	
Pickup truck $2,000, 1/2 used on 10 ac. 8 yrs.	12.50	
TOTAL DEPRECIATION	$ 85.50	$ .31
INTEREST ON INVESTMENT		
Land with water $4,000 per ac. without trees @ 5%	$ 200.00	
1/2 value equip. & trees listed above, 10 ac. @ 5%	42.62	
TOTAL INTEREST ON INVESTMENT	242.62	$ .88
TOTAL NON-CASH OVERHEAD	$ 328.12	$ 1.19
TOTAL ALL COSTS	$ 775.07	$ 2.81

The sample costs shown here were obtained from several growers who indicated that these were typical practices and costs of growing Valencias in eastern Los Angeles County during 1957. Costs of raising Valencias are of two types - cash costs and non-cash costs. Cash costs are those for cultural operations, cash overhead (taxes, repairs, etc.), and harvesting. Non-cash costs consist of depreciation on orchard equipment and trees, plus interest on investment.

These costs are figured for a yield of 275 field boxes per acre. Total on-tree cash costs for this yield were $1.31 per field box. If your costs were similar to those reported here, the table below will give you the on-tree cash costs for varying yields.

Field Box Yield	On-Tree Cash Costs Per Field Box
200	$ 1.81
250	1.45
300	1.21
350	1.03
400	.90
500	.72

In 1957 there were 8040 acres of Valencias in Los Angeles County, which produced 2,700,000 cartons with a value of $ 4,590,000.
Source: Los Angeles County Agricultural Commissioner's Report for 1957.

Los Angeles County Farm Advisor
808 North Spring Street, Room 300
Los Angeles 12, California

WALNUTS IN TEHAMA COUNTY

1959

UNIVERSITY OF CALIFORNIA
AGRICULTURAL EXTENSION SERVICE
TEHAMA COUNTY

= CULTURE

= ECONOMICS

= PRODUCTION

= MARKETING

WALNUTS IN TEHAMA COUNTY - 1959
By Wallace Schreader, Farm Advisor

California produces about 90% of the United States tonnage. In 1957, there were 149,657 acres in California--30,911 of which were nonbearing.

Tehama County is the 12th largest walnut growing county in the state with 3,619 total acres; 2,015 bearing; 1,604 nonbearing.

SOILS Walnuts are raised on the deep well-drained light textured soils found along the Sacramento River and its tributaries. Nitrogen fertilizer is annually applied at rates of 100-150 pounds of actual nitrogen per acre.

Zinc deficiency is found on locations of Indian kitchen middens, old corrals, and areas of deep cuts in sandy areas. The condition is corrected by periodically driving zinc-coated metal into the wood.

CLIMATE New growth in the spring is subject to frost damage during rare years of late frost. Freezing weather in early fall often kills back wood on young trees under 8 - 9 years old. To prevent this growers do not irrigate beyond late August. This controlled drought causes the trees to go into dormancy sooner and are more frost resistant.

Climate patterns on the Pacific Coast during the Spring causes rain forcasts which often read, "rain from Red Bluff north".

Rains during April and May seldom total more than 2-3 inches. The frequency of storms combined with high dew points offers the walnut blight bacteria on almost ideal condition to spread.

High summer temperatures over 100°F causes a large loss of crop in some years and a substantial loss of grade due to dark and shriveled kernels.

WATER Total water requirements of between 3.5-4 acre feet per growing season in mature orchards have been measured.

Growers usually irrigate 2-3 times a year. A few dry land orchards are operating profitably on light sandy soils adjacent to the river and its side streams.

ROOTSTOCKS Most trees are raised on northern California Black Walnut roots. This gives the trees resistance to Oak Root Fungus.

Replants in old orchards in heavy clay loam soils are often planted on Paradox roots. The extreme vigor of this root under these adverse conditions justifies the extra premium charged for the stock. Local experience indicates Paradox may be very susceptible to Crown Gall.

Areas of known lesion Nematode are planted to Chinese Wingnuts with a Eureka intermediate stock used to make grafting easier.

VARIETIES Standard varieties are Hartley, Conway Mayette, Franquette, and Waterloo. Eighteen new varieties are now planted on a test basis by the University in cooperation with local growers. Bud wood from these and other new varieties are available from your Farm Advisor.

Walnut Blight is a major disease in this area. It must have moisture to spread after the new year's growth starts. To reduce the chances of blight, the later a variety blooms, the less is the chance of infection.

WALNUT PRODUCTION COSTS

The following cost study was designed to give an idea of expected costs per acre. The figures represent typical costs under assumed conditions. The conditions are as follows: 40 acres of land valued at $1,000.00 an acre. The trees are planted on 50 foot squares with seventeen trees per acre, producing 1,500 pounds of nuts per acre. An irrigation system is estimated at $50.00 an acre and buildings other than dwellings at $175.00 an acre.

Two wheel tractors, 400 gallon sprayer, fertilizer spreader, boom shaker, pickup machine sweeper, disc, and all other tilling, harvesting, and processing implements are computed at their new retail value.

Major variations from these costs per acre will occur with size of plantings, use of equipment on hand, and size of crop.



TYPICAL COST TO PRODUCE WALN

OPERATION	HOURS PER ACRE	LABOR
CULTURAL		
Prune	10.0	15.00
Brush Disposal	2.0	3.00
Fertilize	.3	.45
Spray 3 times	2.1	3.55
Disc 5 times	2.5	3.75
Irrigate 3 times	9.0	13.50
Spray	.7	1.05
Plant Covercrop	.2	.30
Taxes, Insurance, & Misc.		
TOTAL CULTURAL & MISC. COSTS	26.8	40.60
HARVEST		
Land Plane	.6	.90
Roll	.7	1.05
Shake (Boom)	1.5	2.25
Sweep	1.0	1.50
Pick Up	1.0	1.50
Glean		1.50
Haul to Huller		1.00
Hull and Dry		30.00
Hauling to Market		
TOTAL HARVEST COST	4.8	39.70
TOTAL CASH COSTS		

Investment	Per Acre	A Interes
Land	$1,000.00	$ 60.00
Bldgs.	175.00	5.25
Irrigation	50.00	1.50
Equipment	400.00	12.00
Trees	900.00	27.00
TOTAL	$2,525.00	$105.75

LABOR - $1.50 an hour
YIELD - 1 ton per acre

WALNUTS IN TEHAMA COUNTY - 1959

	CASH AND LABOR COST			COST PER ACRE
R	EQUIPMENT	MATERIALS		
)				15.00
)	2.00			5.00
)	.25	100# Nitrogen	15.00	15.70
)	5.40	Bacteriocide & Aphicide	22.60	31.55
)	2.50			6.25
)	1.50	2.5 Acre Ft. Water	10.00	25.00
)	1.80	Miticide	8.00	10.85
)	.30	Seed	2.00	2.60
			30.00	30.00
)	13.75		87.60	141.95
)	1.00			1.90
)	.50			1.55
)	4.00			6.25
)	1.00			2.50
)	4.50			6.00
)				1.50
)				1.00
)				30.00
			5.00	5.00
)	11.00		5.00	55.70
				197.65

Annual Cost			
terest	Depreciation		
60.00	$		
5.25	4.37		
1.50	2.50		
12.00	40.00		
27.00	22.50		
05.75	$69.37		175.12
	TOTAL COST PER ACRE		372.77

PLANTING DISTANCES Nuts are borne on either the end of limbs or laterally on spurs. The former types, examples of which are Franquette, Hartley, and Conway Mayette, are slow coming into bearing and grow very large. Many plantings are over 60 feet apart.

Those bearing nuts laterally come into bearing much earlier. They do not grow as large and 50 foot plantings are suggested.

A recommended practice is to plant more than one variety of both types 25-30 feet apart and reduce them to a final variety, by tree removal at some future date. This allows 70 trees per acre to begin with and speeds up the date that the orchard will be self-sustaining.

INTERCROPS Most intercrops reduce tree growth and delay the first period of profitable production. Beans and milo have proven to be the best intercrops locally. Alfalfa has a pronounced effect on the trees often causing poor growth and the death of some trees.

An area one disc width wide is left down each side of the tree to remove competion between trees and intercrops. This also allows either crop to be irrigated separately and reduces the incompatibility of different water requirements.

COVERCROPS Covercrops are not usually planted. Native weed growth is normally adequate for covercrops purposes. Climatic conditions make it impossible to materially increase soil nitrogen by using leguminous plants such as sweet yellow clover.

When weed growth is lacking, mustard or vetch are usually planted.

DISEASES The principal diseases found here are Walnut Blight, Crown Rot, Crown Gall, Branch Wilt, Melaxuma and Branch Canker.

Walnut Blight is caused by a bacteria. It attacks the nuts in the spring. There must be free moisture to get infection. The moisture can come from rain, dew, or fog. Because of the high moisture conditions locally, at least 2 sprays are needed most years. Extreme years require 5 or more sprays. Control of this disease will cost from 20 - 40 dollars or more a year. Crop losses of over 50% are not unusual without sprays.

INSECTS Walnut Aphid, Frosted Scale, Red Spider Mites, and Red Humped Caterpillars are common. Codling Moth, Filbert Worm, Navel Orange Worm, and San Jose Scale are a problem some years.

The Walnut Aphid is considered to be resistant to phosphate insecticides in orchards. The use of any chemical to control Walnut Aphid kills many scale parasites and predators.

This often causes heavy build-ups of Frosted Scale in orchards some years.

SUGGESTED READING

Fertilizers and Cover Crops for California Orchards

Pruning Deciduous Fruit Trees

Costs of Establishing a Walnut Orchard

1959 Pest Control Program for Walnuts

Diseases of Fruits and Nuts

Contour Check Method of Orchard Irrigation

Sprinkler Irrigation

Essentials of Irrigation and Cultivation of Orchards

Propagation of Temperate-Zone Fruit Plants

Planting the Orchard with Seedling Trees

Training Young Walnut Trees

Technical Study of Insects and Related Pests Attacking Walnuts

TEHAMA COUNTY FARM AND HOME ADVISORS OFFICE
Room 204, Federal Building
Red Bluff, California

8/59 — 100c.

Division of Agricultural Sciences
University of California

I. WHO BENEFITS FROM THE INCREASED EFFICIENCY OF THE FARMER?

II. WHAT HAVE FARMERS RECEIVED FROM THEIR PRODUCE OVER THE LAST FIFTEEN YEARS AS COMPARED WITH THE EXPENSES THEY HAVE HAD TO PAY?

Testimony of

George L. Mehren
Director
Giannini Foundation of Agricultural Economics
University of California

Before the

California Legislature Senate Fact Finding
Committee on Labor and Welfare

Fresno, California
January 26, 1960

Contribution from the
Giannini Foundation of Agricultural Economics
California Agricultural Experiment Station

I. The First Question

Your Committee has asked us to determine who gets the benefits of increased efficiency in farming. The question cannot be answered precisely because neither the essential and costly data nor the complex and equally essential analyses are available. Yet, even within the short time available to us, we have been able--by using the data and analyses that are available--to approximate for the national economy, the national agricultural economy, the California economy, and the California farm economy the answers to three questions:

1. The amount and composition of increased real output;
2. The changes in amounts, nature or organization of inputs of productive resources, and the degree to which changes in real output are attributable to them;
3. The distribution of the increased output as income among the productive resources to which it is attributable and a comparison of these distributive shares with the productivity of the resources.

We deal with three types of efficiency:

1. Over-all efficiency for all inputs simultaneously, measured by the change in aggregate output value for a given aggregate value of inputs.
2. Economic efficiency or the enhancement of value of output from given inputs because they are combined in different proportions, which technically requires complex data for measurement but which can be approximated roughly from available material.
3. Technological efficiency or the enhancement of value of output from a given value of inputs as a result of substituting new inputs or products or both for old ones, again approximated within broad limits from available data.

We try to measure the increased real output in the national, national farm, California, and California farm economies to indicate as best we can the changes in efficiency to which the increase in output can be imputed and to compare these imputations of productivity with the changes in relative shares of real output accruing to the various inputs.

G. L. MEHREN

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The United States National Economy

Increased Real Output

Over the years 1929-1957, real or deflated national income rose by 119 per cent; from 1940 to 1951 by 74 per cent; and from 1951 to 1957 by 15 per cent. (See Table IA-3. Henceforth, these numbers will indicate relevant tables.)

Over the years 1929-1957, real per-capita income rose 52 per cent; from 1940 to 1951 by 41 per cent; and from 1951 to 1957 by only 9 per cent (IA-6). The compound growth rate was 1.6 per cent per year, zero from 1929 to 1940, 3.2 per cent from 1940 to 1951, and 1.4 per cent from 1951 to 1957.

The agricultural industries have expanded real output but are a sharply declining sector in terms of percentage of total national output. If weighted by current prices as indices of value, real income from agriculture increased sharply only in the decade 1940-1951 (IA-1, IA-2, IA-3).

There has been a marked equalization of wages, distributive shares, and efficiency among industries and regions (IA-4 to IA-9). This indicates high-level and increasing mobility of labor and other inputs among industries and places, and equal access of most industries in most places to most sources of enhanced productivity. Specifically, people and resources are redistributing themselves to equalize their separate efficiencies, which is a condition for maximum national efficiency.

Inputs and Productivity

Nonfarm capital inputs have increased at an annual average rate of about 3.0 per cent with farm capital inputs over the long run increasing at less than 2 per cent per year on the average.

Labor inputs have increased over the long run at an average annual rate of about 1.6 per cent and about 1.8 per cent if weighted by average hourly wages. Employment increased at a rate about 0.6 per cent faster than man-hour inputs as the work-week shortened.

Capital was substituted for labor at an annual rate of 0.3 per cent nationally, and twice as fast, or 0.6 per cent per year in agriculture. This is important to your question.

The labor force rose 44 per cent from 1929 to 66.4 million persons in 1957 (IB-1, IB-2). Farm employment dropped from 9 million people in 1929 to 5.1 million

in 1957 or by 43 per cent. There has been accelerating labor mobility in recent years. This, too, is important in developing an answer to your question.

Over the long run of seven decades, farm output increased at an average rate of 1.1 per cent per year, all-factor productivity in farming rose by 2.7 per cent in 1937-1948 against 2.1 per cent generally; by 3.7 for farming and 2.0 per cent for other industries in 1948-1957 (IB-3).

Capital productivity was about 3.0 per cent per year generally in 1937-1948 against 0.4 per cent for farming with indications of diminished productivity in both elements over 1948-1957 (IB-3).

Labor productivity, because of the twice-faster substitution of capital for labor in farming than in the total economy, rose 3.8 per cent for farm labor in 1937-1948 against 1.9 per cent per year for other industries (IB-3). Output per worker--which is not a measure of efficiency, productivity, or capacity to earn or pay wages or distributive shares--rose 52 per cent generally and 75 per cent in farming from 1929 to 1957 (IB-5). Average output is always higher than the earned wage. These averages are being equalized, another index of increasing mobility.

Shares

Total payments to factors approximate their distributive shares and can be compared with productivity changes. The share to labor has increased from 58.2 per cent of national income in 1929 to 70 per cent in 1957 (IC-1).

Labor is relatively scarce as an input since the percentage increase in capital has been continuously greater. Labor's increased share is clearly no smaller than its increased productivity, at least as indicated by available data.

Management income dropped from 16.8 per cent of national income in 1929 to 11.8 per cent in 1957--or by one-third.

Property income dropped from 25.0 to 18.2 per cent.

The share of wages and salaries in national income rose only 4.4 per cent but salary supplements now account for 4.5 per cent of the total national income.

Business and professional proprietors' share dropped from 10.5 per cent in 1945 to 8.6 per cent of the national income in 1957. Farm proprietors' share dropped from 8.8 per cent in 1935 to 3.2 per cent in 1957.

Property shares declined similarly except for corporate profits.

Labor productivity has increased and so has labor's share in the national income.

There is a clear pattern of equalization of distributive shares among regions and industries.

California's general economy reflects the national pattern very closely in four respects: sharp increases in the share of labor; sharp declines in property and proprietorship incomes; and mobility of resources among industries as indicated by equalization of rates of return.

On a per-capita basis, over 1929-1957, income to labor rose 66 per cent; to proprietors, 64 per cent; and to private productive property by only 20 per cent (IC-3, IC-4).

Wealth seems to have increased more in consumer than in capital goods.

In real or deflated terms, with 1929 as a base, in 1957: real income to employees had risen 161 per cent; proprietary incomes up 58 per cent; property income up 63 per cent; per-capita income 59 per cent; average real return per employee by 66 per cent; per-capita proprietor income by 64 per cent; and average return to property by 12 per cent (IC-5, IC-6, IC-7).

Real value of land declined between 1929 and 1956 (IC-8). Real value of structures, equipment, and inventories rose. Consumer durable goods real value rose. Private farm land value did not rise.

This has been a productive and mobile economy. There are no indications of general exploitation of labor or other inputs.

The United States Farm Economy

Increased Real Output

To measure output of agriculture or any other sector requires deduction of purchased inputs from gross output. Using a 1947-1949 base, farm output in 1957 was 53 per cent over 1929 and 13 per cent over the base (IIA-1). From 1951 to 1957, output increased 10 per cent, prices received declined 20 per cent, prices paid rose 5 per cent, and net income declined by 19 per cent.

From 1940 to 1951, gross income rose 238 per cent, expenses for off-farm inputs were up 228 per cent, total net income rose 240 per cent, and income per farm went up by 310 per cent (IIA-2). The price-cost squeeze of 1952-1957 is described in part II. The ratio of net to gross income declined from 78.1 per cent in 1929 to 63.5 per cent in 1957, another evidence of massive technological change (IIA-3).

Undeflated per-capita farm income in 1957 was $974 per year against $2,102 in other sectors. About one-third of per-capita farm income was from nonfarm activity. The gap of income in nonfarm and farm industries has widened since 1952 (IIA-4).

Livestock output had risen in 1957 by 21 per cent and crop output by 6 per cent over 1947-1949. While wide regional differentials persist, there is the same equalization noted with respect to the general economy (IIA-5, IIA-6).

Thus, real value of output decreased while physical tonnage rose. With declining prices and rising costs, higher use of purchased inputs led to sharp declines in net incomes. Regional differences diminished. One-third of the farm income came from off-farm work. Per-capita farm incomes are still less than half of those in other sectors.

Inputs

From 1940 to 1957, average land value rose from $4,400 to $20,000; nonland capital from $1,700 to $7,500; and financial capital to $4,200. The average farm is now an investment of more than $30,000 (IIB-1). Investment per worker in 1957 was $17,000, comprised of $12,000 in land, $2,000 in machinery, and $1,400 in livestock (IIB-2). From 1940 to 1951, deflated investment per worker rose 43 per cent, with a 26 per cent increase over 1951-1957. Deflated assets per worker rose only 18 per cent over 1940-1951 with a spectacular rise in machinery (IIB-3).

Cropland, at 379 million acres in 1957, was down from the high of 413 million in 1930 (IIB-4). Number of farms fell from 6.5 million to 4.5 million. Acreage per farm increased from 6.8 farms per 1,000 acres to 3.9 farms per 1,000 acres.

Labor inputs in man-hours declined at an average annual rate of 0.8 per cent against a wage-weighted increase of 1.8 per cent in other sectors (IIB-5). Man-hours declined 34 per cent from 1940 to a level of 13.6 billion in 1957. Farm employment fell to 7.6 million workers, a decline of 31 per cent. The average farm work-week was estimated to have declined 18 per cent to a level of 46 hours in 1957. Family labor fell from 8.3 million in 1940 to 5.7 million in 1957, and hired labor actually decreased from 2.7 million people to 1.9 million workers. Average days of work per year from hired labor fell from 146 to 125 between 1951 and 1957. Employment per farm held constant at 1.81 persons. Decline of labor inputs was drastic by all measures and general in all regions and industries in farming.

Productivity.--Long-run average annual increase in farm over-all productivity was 1.3 per cent unadjusted for price change and 1.7 per cent if adjusted against a nonfarm rate of 1.8 per cent. Temporal variation was sharp. Productivity rates of increase for farming rose to 2.7 per cent in 1937-1948 and to 3.7 per cent in 1948-1957.

Over-all productivity increased 14 per cent from 1947-1949 to 1957. Average output per capital unit rose similarly (IIB-8). As capital inputs increased, land inputs declined slightly and labor inputs fell sharply. Capital productivity has fallen relative to the others (IB-3). Capital is not demonstrably higher in farming, but the rate of substitution for labor is twice as fast since labor productivity in agriculture appears still to be low relative to other labor.

About one-half of increased output reflects higher yields per acre. About one-half of this or one-fourth of the total increase is associated with fertilizer inputs. Another one-fourth is associated with increased livestock yields per animal unit. Another quarter represents the one-shot substitution of power and machinery for draft animals.

In summary, the increased farm output since 1940 was achieved with 18 per cent more capital and 30 per cent less labor (IIB-7). Average output increases for land and labor are high, are arithmetic constructs, and are not measures of realized productivity.

The average annual rate of increase of labor productivity of 5.7 per cent was for all farming. Labor inputs have declined relatively more in field crops

than for livestock or specialties. With relatively high labor inputs, labor productivity has increased much less than for the nation (IIB-7 and IIB-10). Labor inputs have increased on the Pacific Coast against a national decline (IIA-7). The higher returns here indicates that substitution of capital for labor does not always increase income more than development of new enterprise organization or new products. Regional differences are diminishing in agriculture.

Distributive Shares

In 1951, hired farm labor on the average earned $683 on-farm per year and $196 off-farm for a total of $879. In 1957, the figures were $738, $154, and $892--a very small increase (IIB-6). Labor productivity must still be far lower in farming than elsewhere, as continued out-migration also indicates.

Total net farm income has declined from the 1947 peak of 17.3 billion dollars except during the Korean War. Net income was less in 1957 than in 1943 (IIC-1). From 1940 to 1957, farm equities in land and other capital increased 256 per cent. While net income rose 169 per cent in those years, the ratio of income to equity fell by one-fourth (IIC-1). From 1951-1957, income declined 24 per cent, equities rose 12.2 per cent and the rate of return on equity fell one-third. The decline in rate of return on farm assets was much greater than in food processing or distribution or in other industries (IIC-2).

Including management return, the average hourly rate for farm labor was 22 cents in 1940, rising to $1.02 in 1951 (IIC-3). The experience of 1940-1951 can be summarized:

Total returns	up	228 per cent
Capital returns	up	192 per cent
Labor and operator-labor	up	242 per cent
Man-hour inputs	down	26 per cent
Per-hour return	up	362 per cent

Labor gained most.

A different picture is painted for 1952-1957:

Total returns	down	22.7 per cent
Capital returns	up	16.7 per cent
All labor	down	36.0 per cent
Per-hour return	down	15.2 per cent

Labor returns can be divided between owners and hired labor only by arbitrary assumptions on capital returns. The data, rough as they are,

indicate that farm labor, hired and other, suffered in this price-cost squeeze of the last seven years.

From 1929 to 1940, a depression period, national farm labor wages declined by 20 per cent and proprietor incomes dropped a little more, 23.5 per cent (IIC-4 and IIC-5). In the West, and particularly in California, the labor bill decreased slightly more than in the nation as a whole, but the position of proprietors was much better in the West, with proprietor income actually larger in California in 1940 than it was in 1929. For 1940-1951, the returns to labor and proprietors in farming, respectively, rose 183 and 251 per cent nationally, and 244 and 333 per cent in California. In 1952-1957, a farm depression period, wages went down 3 per cent and proprietor income 28 per cent nationally. In California, the wage bill rose 8 per cent and proprietor income dropped 15 per cent. The position of agriculture in the West, and especially in California, is much better than in the United States generally, and California farm proprietors are relatively better off compared with their national counterparts than is California farm labor. Even with adjustments for changing numbers of farm laborers and proprietors, the conclusions are not materially altered. While the total wage bill for California agriculture has increased moderately in recent years, the implicit level of wage rates seems to have dropped by more than a tenth, owing primarily to increased numbers of foreign workers. In the same period, proprietor incomes have dropped by 15 per cent, while their numbers have not changed appreciably. California and the West are maintaining their favored positions with respect to farm income. The Pacific region has always had the highest average farm income, with California the leading state (IIC-6).

Real income of farm workers in 1947-1949 dollars declined from an index of 96 in 1950-51 to 84 in 1957. Over those years, real income of industrial workers increased from 110 to 129. For 1940-1957, real income of farm workers rose 55 per cent and 63 per cent for industrial workers. From 1929 to 1957, real income of farm workers increased 63 per cent and of industrial workers by 101 per cent.

Except for New England and the Mid-Atlantic states, farm labor's share of total agricultural income is just about the same percentage of all labor's share in the national income, or about 70 per cent.

All data indicate that outmigration of farm labor rather than manipulation of farm demands has been and in the future must be the major means of lifting farm labor incomes.

The California Economy

This is an integral part of the national economy and many of its major attributes have been described above.

Output

From 1940 to 1957, California income increased from 7.4 per cent to 10.2 per cent of the national economy (IA-8). Per-capita income rose from $995 in 1929 to $2,523, the highest state average in the highest region (IA-4).

In deflated terms, California per-capita income rose by 24 per cent from 1940 to 1951 against a national average increase of 41 per cent (IA-6). The 1952-1957 increase was 9 per cent both in California and the nation. Ours started with a higher base and ended with a higher figure but incomes are being equalized among regions as mobility of inputs and methods of operation proceed.

Input

California had 8.2 per cent of national population in 1957 (IA-7). In 1958, gainfully employed at 5.6 million workers reflected an increase of 109 per cent since 1940. Employment rose most in manufacturing, but there were sharp increases in other categories. Percentage of total United States labor was a relatively large part of the national totals in several employment classes.

More than 3 billion dollars were invested on new construction in both 1956 and 1957--twice that of the next highest state. Residential building accounted for more than half.

Value added and rough indices of productivity were high in manufacturing industries. Growth of investment and productivity were high in machinery, transportation equipment, food and kindred products, chemicals, printing and publishing, electrical machinery, lumber and wood products, and others.

The essential attributes of the California economy are faster growth and diversification than elsewhere. California ranks second only to New York in size of the state economy. Productivity appears generally to be higher than in other areas as demands rise with increasing population.

Distributive Shares

Distributive shares to labor are a shade lower in California than for the nation as a whole. The share to labor in California has been coming closer to the national average which was 70.8 against 70.0 per cent here in 1957.

As in the United States, the share of proprietor income in California has dropped from 17.1 per cent in 1929 to 12.7 per cent in 1957.

The same patterns prevail in the nation and this state. Differences seem minor and are associated with growth. Labor seems fully to have shared in the higher productivity of the California economy.

Many attributes of the California agricultural economy have been set out above. Generally, in all industries and especially agriculture, the relative importance of labor has declined. In agriculture, the absolute inputs have also gone down. The rate of substitution of capital for labor is higher in agriculture than in any other industry.

The California Farm Economy

Output

Since 1944, United States farm input has increased about 28 per cent while California farm output increased 39 per cent. California has been the highest-income farm state in the nation for six years. Output is still expanding more rapidly in California than elsewhere. Livestock products appear to be increasing their dominant position. The farm economy of California is more flexible, diversified, and commercial than other areas (IVA-1, IVA-2).

Gross income has varied at a level close to 3 billion dollars per year. From 1951 through 1957, gross income in California declined 1.7 per cent, expenses rose 1.3 per cent, and net income fell 7 per cent against a 19 per cent drop in national farm income. Both California and the Pacific region have grown more rapidly than the national economy, have shifted more toward livestock products, and have been meshed in the same price-cost squeeze (IVA-2). Deflated for price changes, real gross output of California agriculture had increased only 10 per cent over 1949 levels (IVA-3). Severe real deflated price decreases occurred. Conversely, deflated production expenses for California farmers rose 21 per cent from 1949 to 1958, while deflated prices were decreasing 15 per cent. Thus, deflated total net farm income fell from an index level of 135 in 1951 to 110 in 1958, or an index drop of 25 points in seven years. In real terms, California net farm income has been unstable and declining.

The 1956 upturn in California income, attributable to livestock markets, was not matched nationally. The pattern of change in production expenses for California and the nation is almost identical. When both the United States and California farm incomes are deflated, it becomes apparent that California has been relatively free of the long 1952-1959 national downtrend, but yearly variations in real net income in California farming have been relatively more violent (IVA-4).

As a broad summary statement, without a decrease in the absolute value of fruit and vegetable production, California farming has shifted sharply toward livestock products and field crops (IVA-5, IVA-6). Land diverted from agriculture has been almost exactly matched by new cropland. The San Joaquin Valley is growing in importance at an accelerating rate (IVA-7, IVA-8). In summary, output is increasing in both the United States and California; California

output is increasing at a faster rate than in the national farm economy; the California economy has changed more in recent years; and both are caught in the same price-cost squeeze.

Inputs

Farms have declined in number and increased in size, and by all measurements have become more highly capitalized (IVB-1). Farm population has increased slightly since 1930. The composition of land inputs in California agriculture has changed rather more than for the nation (IVB-2).

Undeflated capital inputs have increased more than fourfold since 1940 (IVB-3). Real estate accounts for more than 90 per cent of capital inputs followed by machinery and equipment, livestock, and growing crops. All evidence indicates that the 29 per cent decrease in labor inputs in American farming since 1944 and the increase of some 34 per cent in other inputs purchased by farmers is applicable both to California and the nation. The increasing dependence on purchased off-farm inputs is another index of changing capital inputs (IVB-4). California farms are largely owner operated. Capital investment averages more than 60 thousand dollars or about $227 of capital input per acre.

Data on labor inputs indicate an apparent increase in foreign contract labor with substantial intraseasonal variations. There is no real trend in hired domestic labor or the seasonal pattern (IVB-6). There has been an approximate increase in year-round employees of almost 20 per cent since 1949. No trend appears in average monthly inputs of farmers and unpaid family workers. In summary, there seems to have been a fairly continuous and stable upward shift in total labor input in California agriculture. There is some evidence of a decline in total labor input since the peak of 1955.

In 1957, 17.3 per cent of farm income nationally was paid as wages to hired labor. In 1958, 29.8 per cent of California farm income, before deduction of distributive shares, was paid to labor. Off-farm landlords received 6.4 per cent nationally and 4.0 per cent of income for the nation and California respectively. Farm operators' net income before deduction of specified production

expenses was 73.3 per cent as the share to operators nationally in 1957 against 63.1 per cent to farm operators in California in 1958.

Rough approximations of labor productivity indicate the heavy concentration of farm labor in harvesting operations rather than cultural operations (IVB-7). It is also clear that labor-substituting technology has had relatively little impact in the fruit and vegetable industries as compared with field crops. Nonetheless, it is now estimated that production of 1950 California farm output could have been achieved, using 1960 methods, with about 27 per cent less labor input. There seems to be no difference in rates of capital substitution for labor between California and the nation not explicable in terms of the basic differences of the products in their susceptibility to mechanical operation. If changes in labor utilization be desired, then introduction of new inputs or recombination of old ones in the harvesting of fruits and vegetables seem critically necessary.

Actual changes in labor inputs for the years 1950-1955 generally show relatively small decreases in labor input per unit offset by increases in acreage for crops or animal units in the livestock industries (IVB-7). All told, from 1950 to 1955, man-hour requirements rose from 703.3 million to 727.3 million, or by 3.4 per cent. This increase in labor input is attributable solely to plant expansion. Capital continued to be substituted for labor in every commodity category, with relatively minor declines in labor inputs in all commodity classes. The relatively higher labor input in California appears unequivocally to be attributable to the absence of technological break-throughs suitable to the commodities at issue (IVB-8 to IVB-16).

Input costs are almost identical in the national and California farm economies, with a few exceptions. Payments to hired labor are twice the proportion of total production expenses in California as compared with the national average. Since 1950, the total hired labor wage bill has drifted upward in California against the declining trend in the national farm economy. Interest costs have increased in both economies. Net rents to off-farm landlords have declined. Taxes on farm property and expenditures on fertilizer and lime have risen sharply but almost identically in both sectors. Livestock outlays have gone up much faster nationally than in California since 1953. Seed costs, depreciation and repair costs, and other categories have changed similarly. The off-farm input market is national in scope and the increase in cash costs is about the same for California and the farm economy. The major difference is

in the dominant position of wages to hired labor in California and the uptrend in that series. Net rent to nonfarm landlords has declined sharply and almost identically as net income to farming has diminished.

Total Factor Productivity

If deflated by wholesale price indices, national gross farm income was less than the 1947-1949 base period magnitude from 1954 through 1957 and again in 1959, with deflated farm prices 20 per cent below their 1949 level. Against such price changes, deflated production expense for the United States had risen by 20 per cent and realized net farm income was down 23 per cent (IIA-8). The productivity indices--with all their deficiencies--indicate significantly higher increases in California than in the rest of the nation (IVB-17). Farm output has increased faster, land used for crops is up 10 per cent since 1925 in the West with no real change in total United States cropland, and a 1 per cent decline in labor inputs in the Pacific compares with a 40 per cent decline nationally. Since 1925-1929, production per acre has risen 59 index points in the West against 37 index points for the nation. Production per acre since 1945-1949 has risen 22 per cent in the West against 10 per cent for the nation. Production per man-hour since 1925-1929 is up 68 points for the Pacific against 74 nationally. The following summary conclusions may be drawn: Pacific output has grown faster; cropland area has been stable for 20 years; labor inputs have declined relatively more in the nation than in the Pacific zone; the Pacific shows a greater increase in production per acre; and the nation shows a higher increase in average output per unit of labor. These differences reflect the differential applicability of laborsaving innovations in the crops in which the Pacific area is dominant. Obviously, there is no higher realized productivity of labor or capital in the national farm economy than in California. Were this so, the income differential favoring California could not endure.

It is reasonable to assume virtually continued increases in the prices of inputs used in California agriculture despite the extremely high percentage increases in such factor prices since 1935-1939. While all evidence indicates capital productivity in California agriculture has been at least as great as in the nation, for both sectors the potential with respect to real output from known but unused technologies is generally considered to be even greater. Current trends indicate continued pressure toward greater scale of enterprise, more complex methods of production, and even higher capitalization of farms.

Closer technological coordination at the farm level with processing and distribution also appears to be developing. New technologies and merchandising methods in processing, wholesaling, and retailing seem already to have had significant effects on organization and capital structure of farms.

Farm wages will almost surely be tied even more closely to labor productivity in nonfarm areas and industries. Pressure for labor substitutes will continue. Realized wages and shares to farm labor should even more closely approximate the highly equalitarian pattern now clear in other industries.

Distributive Shares.--Data are generally poorer with respect to California returns and shares than with respect to national output and its distribution. Certain generalization seems to be supported. Rates of return on agricultural capital decreased about one-fourth between 1940 and 1957. Equities in California farming increased sharply in 1957. Except for two years in wartime, the ratio of income to equity in California agriculture was lower than the national average. The 1957 rate of return of income to equity in California was 6.7 per cent, very much below similar rates in processing and distributing segments of the food trades or in other industries.

The following summary conclusions may be drawn. Return on capital in American farming is substantially below that obtained in other industries. The proportion and share of the national dividend going to ownership and to proprietorship have declined sharply in the past 30 years. The same basic pattern appears in the analysis of return to capital in American agriculture generally. Return to capital in California agriculture has apparently been below that of American farming generally except for two wartime years. The decline and the differential have both been consistent. It is difficult to conclude, in face of these data, that the obvious increase in quantity and enhancement of capital efficiency in California agriculture have accrued fully to California farmers.

About two-thirds of California gross farm income is expended for off-farm purchased inputs (IVC-1). Production expenses are about 200 per cent of net farm income. The distributive share to hired farm labor is included in production expense. About 58 per cent of total current operating expense for California farming was used for wages in 1958, about 11 per cent for taxes, and a relatively minor amount as rents to nonfarm landlords.

It is difficult precisely to determine returns to operators, since the data include returns for ownership, management, and operators labor. Available data indicate that the wage bill for hired labor in California farming increased by about 18 per cent from 1949 to 1958. Returns to operators for labor, management, and proprietorship went up about 31 per cent. The share of farm income going to hired labor in 1949 was 32.1 per cent, dropping to 30 per cent in 1958. For California, there was not a drop in the relative inputs of labor (IIB-6). Land values rose sharply but not necessarily because of higher earnings or productivity (IVC-4). Appreciation in value from 1940 through 1956 was about 336 per cent for California farm land, far higher than any other type of asset (IVC-4 to IVC-6).

While distributive shares can be estimated for hired labor, and their relative increases at least roughly compared with indices of labor productivity, it is not possible effectively to measure the changes in recent years to ownership, management, and operators labor. The relative shares to operators for ownership, management, and labor appear over the long pull to have increased relatively more in the past seven or eight years.

Labor is twice as important an input in California as in American agriculture generally. In 1944 and 1949, California farmers produced about 8 per cent of the value of all United States farm products, and about 9 per cent in 1954 (IVC-7). In those three years, California farmers paid 16.2 per cent, 15.6 per cent, and 18 per cent of United States wages to hired agricultural labor.

The wage bill for hired labor in California agriculture has ranged from 18 to about 22 per cent of the value of farm products sold. For these same years, the national farm ratios were between 9 and 11 per cent. Alternatively stated, hired labor received twice the national average share of gross farm income in California (IVC-7).

Distributive shares in California and national agriculture can be compared about as follows:

1. Interest on farm mortgages was equally important and changed identically--so probably was determined by national markets rather than by farm productivity.
2. Seed was more important as an input nationally, but changed identically.
3. Net rent to nonfarm landlords was less important in California and downtrended after 1952 more sharply in California.
4. Fertilizer and lime were more important nationally but changed equally.

5. Taxes were equal in importance and rates of increase.
6. Livestock was roughly equal in importance but uptrended more nationally after 1953.
7. Depreciation and repairs were also more important nationally but changed identically.
8. Feed was a little more important nationally but changed equally.
9. Hired labor was twice as important in California and its rate of increase in total payments was much more than for the national economy as a whole.

Summary

The American economy, the American farm economy, the California economy, and the California farm economy have greatly increased their outputs in the last 30 years. There have been more inputs, improved organization, and new products and new resources.

Differences in productivity among industries, sectors, and areas have declined sharply as mobility of inputs has accelerated. It is a fluid and vital economy.

Labor productivity and returns have risen sharply as the ratio of capital to labor inputs has increased over time. Farming has substituted capital for labor twice as fast as the general economy. Farm labor productivity has therefore risen at a faster rate in the past two decades.

In the national economy, the increases in distributive shares to labor have been at least as high as increases in labor productivity rates. Returns to capital, which can only be approximated, appear to be lower in the farm economy than in the general economy and even lower as a rate in California farming until the last several years, during which the combined share of operator labor, management, and capital seems to have risen somewhat more than the share to hired labor in California.

Labor is twice as important in California farming as in national farming. It gets more than twice the national share of total or net farm income, and is twice the fraction of total production expenses. Since 1949, the rate of increase in total wages to hired labor has been much greater in California farming than in United States farming.

There is no doubt whatever that American labor has received relatively more benefit from improved productivity in the past 30 years than have other contributing resources. Until recent years, this seems also to be true of hired farm labor, both nationally and for California. The evidence is conflicting in recent years, but there is no compelling indication of exploitation of hired domestic agricultural labor anywhere in any agricultural industry for any protracted period. Both labor and operators have fared somewhat better in California farming than nationally. Despite the decline in real net farm income in California, there has been an increase in total and relative farm wages. Since 1952, the deflated increase to operators has been somewhat greater which would indicate a slight decline in the share of value added in California farming accruing to hired labor.

II. The Second Question

Your Committee asks what farmers have "received from their produce over the last 15 years as compared with the expenses they have had to pay . . ." Unequivocal and precise description and explanation of the "price-cost squeeze" can be given to you for the national farm economy and for California agriculture.

United States Farm Economy--Summary Statement

Income.--Over the last decade, farm output and expenses have risen sharply and steadily. Prices received by farmers declined from 1951 to 1955 and have since remained fairly steady except for a slight rise in 1958 with a favorable livestock market. Total gross farm income has shown no trend since 1951. (See Figure A-1. Hereafter, references are made to charts and tables in Appendix II.) Total net farm income has declined. The "squeeze" is clear: prices received have been declining relatively more than output has been increasing; production expenses have been rising in total and as a percentage of gross income.

Relative to the rest of the economy, deflated farm prices and net income have declined steadily and sharply (Figure A-2). Absolute farm prices and net incomes have declined slightly but relative farm prices and net incomes are sharply depressed.

There are no major trends in sources of gross farm income by commodity classes, by value of home consumption, rental values of home consumption, or even by government payments (Figure A-3). The slight bulge in 1958 was due to livestock prices and high yields for wheat, feed grains, and cotton. Gross income declined in 1959.

Farm Production Expenses, United States.--These have increased absolutely and relative to prices received (Figure B-2). Purchased inputs have also increased as a percentage of gross income, thereby increasing relative out-of-pocket expense. Input prices are largely determined by nonfarm demands, productivity, and costs.

Little trend is apparent in prices of seed, net rent to nonfarm landlords, livestock, and hired labor (Table A-1). Upward price trends are greatest in inputs most closely related to nonfarm production. These factor prices are largely determined by their nonfarm productivity.

The parity ratio is simply the percentage ratio of current prices received and prices paid compared to an adjusted base period ratio. This is a measure of

the "price-cost squeeze" The downward trend in the parity ratio and tightening squeeze are obvious (Table A-2).

The California Farm Economy

Income.--Pacific region farm output is used to represent California output since California data for years prior to 1949 are not available. California production is a major part of Pacific region output. Since the 1947-1949 base period, physical output has increased about 30 per cent (Figure B-1). Prices received trended upward to 1952, fell to 1954, and have remained near base-period levels since. California prices received have been more variable than national average farm prices but have not downtrended so sharply since 1952. Realized gross income rose sharply to 1952, then trended slightly upward, declining in 1959.

Realized net income has not been so depressed as national farm income because of greater expansion of output and price stability. California production expenses have increased about the same as for the national farm economy.

When deflated to real terms, the meaningful presentation, prices received and net income have both downtrended sharply, especially since 1952 (Figure B-2). Deflated or real net income in 1959 is expected to be lower than in 1958. California farmers are a little better off than the national average, but they have fallen sharply behind the general economy in terms of real relative prices and net incomes.

The increase in undeflated gross farm income in California is largely attributable to upward trends in livestock, field crops, and vegetables (Figure B-3).

Farm Production Expenses, California.--Both total productive and total current operating expenses have increased more than 40 per cent over the last decade (Table B-1). Major increases occurred in interest on farm mortgages, farm taxes, and fertilizer and lime. Hired labor outlays rose relatively more than in the national economy. Net rents to landlords declined with real net income to farmers. Increased use and higher prices of purchased inputs are major causes of the squeeze.

United States and California Comparisons.--Pacific Coast farm output more than doubled from 1925-1929 to 1955-1957, while United States farm output rose about 50 per cent (Table B-2). Cropland increased relatively more on the Pacific Coast. Labor input nationally declined 55 index points while Pacific Coast input

remained nearly constant, primarily because of the differences in applicability of mechanical operations to crops.

Both production per acre and total acreage increased relatively faster on the Pacific Coast. Output per labor-hour input increased relatively more nationally than locally. These are not measures of relative productivity of labor or other farm inputs.

Summary Statement

Both for the United States and California farm economies, prices have been low and declining relative to prices paid by farmers and sales prices of nonfarm products. Net farm incomes have been sharply depressed--especially in deflated terms--relative to other sectors. Purchased inputs of nonfarm origin with productivity and prices determined in other sectors have increased absolutely and relative to incomes. Inflation of their prices has been a major source of the squeeze. Farm output has increased relatively more here than for the nation, mainly from increased yields. The relative bill for farm labor has increased more in California than for the nation.

The picture is clear. Farm prices decline more relatively than output increases if other demand determinants are constant. Food and fiber prices benefit relatively little from increased purchasing power. So gross income has been about constant for all farmers of the nation and has trended upward relatively little for California. The proportions of nonfarm inputs have increased sharply. Their prices have risen. The result is the squeeze. California uses twice as much labor per dollar of gross income as the national average. Its farm labor bill is twice as high in proportion to gross income. California farmers and United States farmers have been caught in the same squeeze and essentially from the same causes.

Division of Agricultural Sciences
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APPENDIX I

WHO BENEFITS FROM THE INCREASED EFFICIENCY OF THE FARMER?

Working papers in support of testimony by George L. Mehren before the California Legislature Senate Fact Finding Committee on Labor and Welfare

Fresno, California

January 26, 1960

Prepared by

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Contribution from the
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APPENDIX I

WHO BENEFITS FROM THE INCREASED EFFICIENCY OF THE FARMER?[1]

The Question

It is not possible directly to answer the question. The logic or theory is available but the costly data have not been collected nor have the complex and difficult analyses necessary to an effective answer been undertaken. It is possible to give quantitative answers to this question with less than perfect precision by using available data and analyses of their interrelations to approximate the theoretical concepts and measures which would be required for a precise answer. By the use of these readily available constructs and measures, it is possible to estimate the over-all increase in efficiency of production by firms, industries, sectors, or the total economy; the contribution of such increased productivity by each of the major inputs or classes of inputs used in production; and the distribution of these benefits among the factors used in the production process.

The Methodology

The Definitions

Certain measures will be used throughout this analysis.

1. Total output is a value-weighted index of all or certain classes of production by a firm, industry, sector, or the total economy.
2. Intermediate products is a price-weighted index of resources purchased from other firms, industries, or sectors.
3. Net output for a firm, industry, or sector is total output minus intermediate products.
4. Factor, input, or productive resources represent classes or individual components used in producing goods and services.
5. Marginal revenue product is the contribution to value of production by one additional unit of any factor of production, with no change in other inputs. This marginal revenue product is therefore determined by the addition to physical output associated with the addition

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1/ Working papers to support testimony to the Senate Fact Finding Committee on Labor and Welfare. California Legislature. Fresno, California. Tuesday, January 26, 1960. Prepared by Irving Hoch, Eric Thor, Eleanor Birch, and George L. Mehren. Giannini Foundation of Agricultural Economics, University of California.

of one more unit of the factor of production, with no change in the other factors used in production, and the value of that increment to output. If the price or wage of a factor is given, the efficiency of the factor-use is highest when the number of units of the factor used is such that the marginal revenue product is exactly equal to the wage or price of the factor. Thus, efficiency of production in terms of one factor could be measured if data were available in terms of the ratio of the actual or realized marginal revenue product and that marginal revenue product which would lead to the highest net income to the enterprise as a whole. Another condition for efficiency also is expressed in terms of the marginal revenue product. Efficiency of all of the factors used by the firm is at a maximum when the ratios of their marginal revenue products and prices are equal. This means, in effect, that an additional dollar spent on any one of the factors used in the production process would have exactly the same effect in terms of increasing the receipts by the enterprise. Among firms within an industry, a condition for most efficient allocation of resources is the equality of realized marginal revenue products for a given factor in all of the firms in the industry. The same maximum-efficiency condition of the equality of the marginal revenue product and factor price ratios also holds. This would mean that the value of industry output could not be increased by shifting resources within the firm or among firms within the industry. Exactly the same condition for maximum efficiency prevails with respect to the various industries comprising a sector of the economy. Finally, the equalization of factor prices and marginal revenue products is a condition for maximum-efficiency resource allocation in the economy at large.

6. The wage of a factor is the price paid per unit for it. In equilibrium, the wage is equal to the marginal revenue product, which therefore measures the capacity of the employing agency to pay and also represents the contribution of the factor to the value of output of the enterprise--or, in short, its earnings.

7. The distributive share accruing to any factor is the product of the wage and the number of units of the factor used in the firm, the industry, the sector, or the total economy. Thus, changes in distributive

shares may be taken to reflect changes in the efficiency of use of the factor, in amounts of the factor used, and it may also reflect the distribution of benefits of increased productivity.

8. Productivity of a factor can be measured in several ways. Its marginal physical productivity is measured by the net increase in physical output associated with the addition of one more unit of the factor, when the inputs of all other factors are held constant. Essentially the value of this physical increment to production from the marginal unit of a factor is called the marginal revenue product. Productivity as used explicitly and implicitly by this Committee, and as published in many government series, represents total output--either physical or value--divided by the number of inputs of a factor. This average productivity is the most easily calculated measure but it has no direct relation to changes in total productivity, efficiency of all factors, efficiency of any factor, determination of any wage, or determination of any distributive share. The marginal revenue product and the wage must always be smaller than the average productivity of any factor. It is unfortunate that this measure is frequently confused with indices of efficiency, productivity, or wages.

9. Efficiency, of which there are three major measures:

A. Total productivity or efficiency of all factors is measured by relating output to all associated inputs. To indicate increased productivity or net savings of inputs as a whole, output must be so related. Basically, over-all efficiency for a firm, industry, sector, or the total economy is measured by the ratios of two index numbers:

(1) Real gross product net of intermediate inputs and

(2) The weighted aggregates of all inputs including land.

There are several ways of measuring over-all efficiency or the changes in the value of output associated with a given aggregate value of inputs. Fundamentally, most measures involve the weighting of currently available service time of factors by their base period wages or compensations which results in an approximation of what the resources would have produced in the current period in the absence of technological or other efficiency

changes since the base period. Then, for each time period, the ratio of actual output to that output which would have been produced with currently available resources and base period technology is a measure of efficiency or productivity of factors and closely approximates a measure of the net increase in the value of production associated with changes in the economic organization or the technology of the production process.

B. Economic efficiency is an index of the change in value of output for a given value of inputs attributable to combining the resources used in different proportions from those previously prevailing. As indicated above, the governing condition for maximum economic efficiency is the equality of ratios of the marginal revenue products and the prices of the factors in all uses. This kind of efficiency represents the change in value of output associated with such management decisions as the proportions in which resources are combined; the allocation of resources to different uses; the organization of management; and the scale of the enterprise.

C. Technological efficiency is a measure of the change in value of aggregate output for a given value of input and is associated with the substitution of new inputs for old inputs or production of new products. Generally, it is efficient to introduce new technology, or to use new inputs in substitution for old ones, when the discounted distributive share of the new factor exceeds that of the old. Thus, total productivity or total efficiency of production in terms of all inputs can really be affected by two broad sets of adjustments:

(1) Changes in combinations of given factors; or

(2) Substitution of new types of inputs for old.

The Reformulated Question

Using these measures, data are available roughly to approximate answers to the following questions.

1. What have been the changes in real output and how has over-all efficiency of production changed?

2. To what extent have changes in over-all productivity been attributable to changes in total inputs of productive resources to economic or technological efficiency?
3. How have the gains of increased efficiency been distributed in terms of distributive shares to the contributing factors, and how do these changes in shares reflect the relative contributions of each of the factors?

The Organization

These three questions are posed with respect to the total United States economy, the total United States agricultural economy, the total California economy, and the California agricultural economy. First, changes in real output are considered in terms of gross output, intermediate purchases as appropriate, net income, commodity or industry groupings, regions, and time periods.

Second, the contribution of specific factors in determining change in output or total production is considered in terms of total productivity or the efficiency of all of the inputs used; economic efficiency, a measure of the degree to which actual allocation of specified resources approximates that allocation which would yield the highest possible real output for given demands and income and ownership distribution; and technological efficiency as defined above to mean the degree to which introduction of new inputs or products approximates the optimum pattern.

Third, the distribution of the change in real net output among the contributing factors is approximated by consideration of the wages actually received by each of the factor classes, the total distributive share received and by a comparison of the wage and the distributive share actually received to that which would be indicated at least roughly by the contribution of the factor to total productivity.

The United States Economy

Total Output

Indices of real national output represent an approximation either of (1) the sum of purchases of final goods and services or (2) the value added by each industry. Value added is an approximation to the compensation of factors in each industry plus such nonfactor charges against the product as indirect business taxes. Alternatively, value added may be measured by calculating the value of production and, as appropriate, subtracting out the expenses for intermediate products purchased from other industries. In dealing with sectors of the economy, this latter method yields industry real product estimates which are mutually consistent and which are comparable with the estimates for the national economy as a whole.

Table IA-1 specifies national income by industry in millions of current dollars for the years 1929, 1940, 1951, and 1957. In this representation, the word "output" is equivalent to "national income by industry of origin." In current dollars, 1957 national income was 364.0 billion dollars. In Table IA-2, these same data are expressed in constant dollars by applying national price level deflators. No account is made of changes in relative prices. Thus, for example, agricultural output as here represented is not a measure of physical output nor are the similar figures for other industry sectors. In this sense, national income in 1957 was the equivalent of 334.8 billion dollars using 1954 dollars as a deflator. Reference to Table IA-3 will indicate that from 1929 to 1957 national real product in constant dollars increased 119 per cent. The increase from 1951 to 1957 was 15 per cent. A much larger increase of 74 per cent occurred from 1940 to 1951. Over the depression years of 1929 to 1940, the growth in deflated real output was only 9 per cent.

Per-Capita Growth.--Table IA-4 indicates an increase in per-capita money income from $703 in 1929 to $2,027 in 1957. There was a low in per-capita income of $595 in 1940. Deflating for constant 1954 dollars, Table IA-5 indicates an increase from approximately $1,200 of real product per capita in 1940 to some $1,865 per year in 1957. Table IA-6 indicates a 52 per cent increase in per capita real income from 1929 to 1957. There was only a 9 per cent increase from 1951 to 1957. Over the approximate decade of 1940 to 1951, real output per capita increased by 41 per cent. Over the years 1929 to 1957, the average annual straight-line rate of increase in per-capita income was 1.85 per cent. At the compound rate, more properly applicable, per-capita

TABLE IA-1

National Income, by Industry, United States
1929, 1940, 1951, and 1957

Industry	1929	1940	1951	1957
	millions of dollars			
All industries	87,814	81,634	279,313	363,951
Agriculture	8,083	6,073	19,829	15,280
Forestry and fisheries	195	174	664	949
Mining	2,048	1,868	5,499	6,191
Contract construction	3,808	2,569	14,213	19,648
Manufacturing	21,888	22,336	88,495	112,517
Wholesale and retail trade	13,358	14,337	47,187	59,622
Finance, insurance, and real estate	12,693	8,208	23,575	34,611
Transportation	6,636	5,040	14,867	17,258
Communications and public utilities	2,864	3,056	8,304	13,340
Services	10,338	8,854	25,063	39,422
Government	5,093	8,762	30,221	42,869
Rest of the world	810	357	1,396	2,244

Source: U. S. Office of Business Economics, U. S. Income and Output, 1958, Table I-10, pp. 130-131.

TABLE IA-2

National Income, by Industry, in Constant Dollars, United States
1929, 1940, 1951, and 1957

Industry	1929	1940	1951	1957
	millions of 1954 dollars			
All industries	152,796	166,533	290,486	334,835
Agriculture	14,064	12,389	20,622	14,058
Forestry and fisheries	339	355	690	873
Mining	3,564	3,811	5,719	5,696
Contract construction	6,626	5,241	14,782	18,076
Manufacturing	38,085	45,566	92,035	103,517
Wholesale and retail trade	23,243	29,247	49,074	54,852
Finance, insurance, and real estate	22,086	16,744	24,518	31,842
Transportation	11,547	10,282	15,462	15,877
Communications and public utilities	4,983	6,234	8,636	12,273
Services	17,988	18,062	26,066	36,268
Government	8,862	17,874	31,430	39,439
Rest of the world	1,409	728	1,452	2,064

Source: Table IA-1; corrected for changes in the value of the dollar by price deflators given in U. S. Office of Business Economics, U. S. Income and Output, 1958, Table VII-2, pp. 220-221. Price deflators were: 1929--1.74; 1940--2.04; 1951--1.04; and 1957--0.92.

TABLE IA-3

Growth in Real Output,[a] by Industry, United States
Selected Years, 1929 to 1957

Industry	Ratio of: 1940 to 1929	1951 to 1940	1957 to 1951	1957 to 1929
All industries	1.09	1.74	1.15	2.19
Agriculture	0.88	1.66	0.68	1.00
Forestry and fisheries	1.05	1.94	1.27	2.58
Mining	1.07	1.50	1.00	1.60
Contract construction	0.79	2.82	1.22	2.73
Manufacturing	1.20	2.02	1.12	2.72
Wholesale and retail trade	1.26	1.68	1.12	2.36
Finance, insurance, and real estate	0.76	1.46	1.30	1.44
Transportation	0.89	1.50	1.03	1.37
Communications and public utilities	1.25	1.39	1.42	2.46
Services	1.00	1.44	1.39	2.02
Government	2.02	1.76	1.25	4.45
Rest of the world	0.52	1.99	1.42	1.46

a/ Real output is here defined as national income in constant dollars as shown in Table IA-2.

Source: Table IA-2.

TABLE IA-4

Per-Capita Personal Income, by Region, United States
1929, 1940, 1951, and 1957

Region a/	1929	1940	1951	1957
	dollars			
United States	703	595	1,649	2,027
New England	876	757	1,831	2,298
Mideast	973	790	1,912	2,394
Great Lakes	803	667	1,869	2,214
Plains	572	483	1,529	1,823
Southeast	368	343	1,128	1,427
Southwest	474	418	1,415	1,752
Rocky Mountain	596	531	1,647	1,865
Far West	910	785	1,984	2,407
California	995	840	2,051	2,523

a/ The states in each region are as follows:

New England: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

Mideast: New York, New Jersey, Pennsylvania, Delaware, Maryland, and District of Columbia.

Great Lakes: Michigan, Ohio, Indiana, Illinois, and Wisconsin.

Plains: Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas.

Southeast: Virginia, West Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, and Arkansas.

Southwest: Oklahoma, Texas, New Mexico, and Arizona.

Rocky Mountain: Montana, Idaho, Wyoming, Colorado, and Utah.

Far West: Washington, Oregon, Nevada, and California.

Source: U. S. Office of Business Economics, U. S. Income and Output, 1958, Table VI-9, pp. 158-159.

TABLE IA-5

Per-Capita Personal Income, in Constant Dollars, by Region, United States 1929, 1940, 1951, and 1957

Region a/	1929	1940	1951	1957
	1954 dollars			
United States	1,223	1,214	1,715	1,865
New England	1,524	1,544	1,904	2,114
Mideast	1,693	1,612	1,988	2,202
Great Lakes	1,397	1,361	1,944	2,037
Plains	995	985	1,590	1,677
Southeast	640	700	1,173	1,313
Southwest	825	853	1,472	1,612
Rocky Mountain	1,037	1,083	1,713	1,716
Far West	1,583	1,601	2,063	2,214
California	1,731	1,714	2,133	2,321

a/ See Table IA-4.

Source: Table IA-4; corrected for changes in the value of the dollar by price deflators given in U. S. Office of Business Economics, U. S. Income and Output, 1958, Table VII-2, pp. 220-221.

TABLE IA-6

Growth in Per-Capita Real Income,[a/] by Region, United States
Selected Years, 1929 to 1957

Region[b/]	Ratio of: 1940 to 1929	1951 to 1940	1957 to 1951	1957 to 1929
United States	0.99	1.41	1.09	1.52
New England	1.01	1.23	1.11	1.39
Mideast	0.95	1.23	1.11	1.30
Great Lakes	0.97	1.43	1.05	1.46
Plains	0.99	1.61	1.05	1.69
Southeast	1.09	1.68	1.12	2.05
Southwest	1.03	1.73	1.10	1.95
Rocky Mountain	1.04	1.58	1.00	1.65
Far West	1.01	1.29	1.07	1.40
California	0.99	1.24	1.09	1.34

a/ Real income is here defined as personal income in constant dollars as shown in Table IA-5.

b/ See Table IA-4.

Source: Table IA-5.

real income increased about 1.6 per cent per year. The maximum increase was in the 11-year period from 1940 to 1951, during which real income increased about 3.7 per cent per year on the average using a straight-line rate. In the 6-year period from 1951 through 1957, real income increased only 1.5 per cent per year on the average for a total of 9 per cent. These data, at any rate, indicate considerable temporal variation in per-capita real output and an apparent slacking off in the rate of increase over the past several years.

Real Output by Commodities.--Distribution of real output among industries is shown in Tables IA-1, IA-2, and IA-3. In current dollars, agricultural output was valued at 15.3 billion dollars in 1957. Using standard classifications, this is the fifth smallest product of the twelve classifications. Where agriculture now ranks eighth among the twelve sectors--with mining, communications, rest of the world, and forestry and fisheries lower--it ranked fifth in 1929, sixth in 1940, and sixth in 1951. Apparently, the relative importance of agricultural output in the economy as a whole has declined very sharply since 1951. Using deflated constant dollars on a 1954 base, Table IA-2 indicates that agricultural output was of the same value in 1957 as in 1929. Perhaps the most effective demonstration of the changing components of the national real output is in Table IA-3. Here it is indicated that growth in real agricultural output as measured here occurred only in the years 1940-1951. Agriculture has generated and received a real output essentially equivalent to that of 1929, reflecting a decline in relative prices as well as a somewhat slower growth in physical output over these years. Major increases in real output were generated in forestry and fisheries, construction, manufacturing, wholesale and retail trade, communications and public utilities, and especially in government, where the rate of growth from 1929 to 1957 is measured by an index of 445 per cent. Much of the increase in government reflects expansion in local and state units.

Regional Output.--Per-capita income in current dollars is shown for the years 1929, 1940, 1951, and 1957, by areas, in Table IA-4. For all years, per-capita income in California, in current dollars, has exceeded the average income in any one of the standard regions. In constant 1954 dollars, per-capita incomes have been and are fairly close in New England, the Mideast, the Great Lakes, and the Far West. Incomes were lowest in the Southeast and average per-capita income in constant dollars is substantially lower in the Plains, Southwest, and Rocky Mountain areas than in other parts of the nation. Per-capita real output or income has increased some 52 per cent in the United States

TABLE IA-7

Percentage Distribution of Population, by Region, United States
1929, 1940, 1951, and 1957

Region a/	1929	1940	1951	1957
	per cent			
United States	100.0	100.0	100.0	100.0
New England	6.6	6.4	6.0	5.8
Mideast	23.2	22.7	22.2	21.5
Great Lakes	20.6	20.4	20.1	20.5
Plains	10.9	10.4	9.2	9.0
Southeast	22.4	22.9	22.5	22.0
Southwest	7.4	7.4	7.7	7.9
Rocky Mountain	2.2	2.3	2.3	2.4
Far West	6.7	7.5	10.0	10.9
California	4.5	5.3	7.2	8.2

a/ See Table IA-4.

Source: Derived from Tables IA-8 and IA-9.

TABLE IA-8

Percentage Distribution of Personal Income, by Region, United States
1929, 1940, 1951, and 1957

Region[a/]	1929	1940	1951	1957
	per cent			
United States	100.00	100.00	100.00	100.00
New England	8.32	8.15	6.65	6.57
Mideast	32.06	30.50	25.75	25.46
Great Lakes	23.61	22.69	22.75	22.46
Plains	8.87	8.30	8.59	8.08
Southeast	11.67	13.23	15.38	15.38
Southwest	4.97	5.21	6.64	6.79
Rocky Mountain	1.88	2.03	2.28	2.24
Far West	8.62	9.89	11.96	13.02
California	6.42	7.43	8.98	10.17

a/ See Table IA-4.

Sources:

1929, 1940, and 1957: U. S. Office of Business Economics, Survey of Current Business, August, 1958, Table 1, p. 10.

1951: U. S. Office of Business Economics, U. S. Income and Output, 1958, Table II-8, pp. 156-157.

TABLE IA-9

Percentage Distribution of Per Capita Personal Income, by Region, United States 1929, 1940, 1951, and 1957

Region[a/]	1929	1940	1951	1957
	per cent			
United States	100	100	100	100
New England	125	127	111	113
Mideast	138	133	116	118
Great Lakes	114	112	113	109
Plains	81	81	93	90
Southeast	52	58	68	70
Southwest	67	70	86	86
Rocky Mountain	85	89	100	92
Far West	129	132	120	119
California	142	141	124	124

a/ See Table IA-4.

Sources:

1929, 1940, and 1957: U. S. Office of Business Economics, Survey of Current Business, August, 1958, Table 1, p. 10.

1951: U. S. Office of Business Economics, U. S. Income and Output, 1958, Table II-9, pp. 158-159.

as a whole over the years 1929-1957. The rates of increase have been substantially higher in the Southeast, the Southwest, and the Rocky Mountain regions. A comparison of 1957 and 1929 indicates a very marked equalization of per-capita income between regions. This equalization is good evidence of the mobility of factors, particularly labor, between regions. In short, there is evidence of increasing economic efficiency in the allocation of national labor resources and simultaneously of the other resources used in conjunction with labor, in particular the movement of capital resources in response to differential labor wage rates. Between 1929 and 1957, there was much greater income equality between regions.

These patterns of regional growth are reflected in Tables IA-7, IA-8, and IA-9. Table IA-9 indicates the percentage of per-capita United States personal income earned in each of the regions in the four years 1929, 1940, 1951, and 1957. Thus, New England declined sharply in terms of this measure between 1940 and 1951 as capital departed from the industrial complex of that area to become associated with lower-waged labor resources elsewhere. The same pattern marked the Mideast states. Long-run increases have occurred in the Plains, Southeast, Southwest, and Rocky Mountain states. Again, this is an index of fluidity and increased general economic efficiency. Every region shows a movement toward the United States level. Every region is closer to an index of 100 in Table IA-9 in 1957 than it was in 1929. Per-capita income distribution in California shows this same movement. However, it was above all regions in 1929 and still was in 1957. California's share of the United States income rose from 6.4 to 10.2 per cent, indicating that in terms of real output California represents about 10 per cent of the national economy.

This important equalization of regional real output also reflects population movement and movement of capital to regions of the highest return where the migration of the textiles industries of New England to the South is an example. It also reflects a continuing movement out of agriculture, especially from the Plains and the Southeast. The magnitude of these changes has been quite drastic and appears not to be decelerated. Apparently, the fundamental malallocations associated with immobility are being mitigated as time goes by.

Summary Statement.--There has been about a 120 per cent increase in real output in the nation since 1929. In agriculture, there has been no increase as measured here. Major increases have occurred in certain heavy industries and

in some of the service trades, but among the sectors the expansion of government services represents by far the greatest relative growth in generation of real output. Real income per capita has increased something more than 50 per cent since 1929. The increase in California and in the Far West has been something below the national average. A remarkable equalization of production of real output among regions has appeared. Apparently, there has been a deceleration in the rate of increase since 1952. Perhaps more important, the equalization of real output among regions represents substantial evidence of increased mobility and economic efficiency in the economy as a whole.

Inputs and Their Productivity in the United States Economy

The measures of real output roughly indicate the benefits of increased over-all efficiency and its generation among industry groups and over regions. Analysis of the quantity and kinds of inputs and their productivity will then provide a basis for comparison with the allocation of distributive shares as a measure of benefits.

Capital Inputs.--Since 1900, there has been an average annual increase in inputs of total factors of about 2.1 per cent in the economy as a whole. This compares to a substantially lower average annual increase of total inputs in the agricultural industries. Capital stocks as used here include plant, equipment, land, and inventories. For each type of capital, age classes were formulated in the sources from which these data are drawn, and the numbers of each type of capital in each class was determined. This adjustment was made since the relative compensations to capital items of a given type vary as age changes. The index numbers of real capital stock were calculated in each industry by weighting with the relative compensations--interest plus profit--in a base period. This procedure is equivalent to weighting capital stocks measured in constant dollars by base period rates of return in order to obtain aggregate indices.

On the basis of these calculations, nonfarm capital inputs appear to have increased at an average annual rate of about 3 per cent since 1900. Thus, since capital inputs for the economy as a whole have increased at an average annual rate of approximately 2.1 per cent, it is obvious that capital inputs in the agricultural industries have increased at a substantially lower rate than the nonfarm industries.

Labor Inputs.--Labor input is usually measured in man-hours worked in each industry classification weighted by base period average hourly compensation.

TABLE IB-1

Employment,[a/] by Industry, United States
1929, 1940, 1951, and 1957

Industry	1929	1940	1951	1957
	thousands of persons			
All industries	46,216	48,486	62,780	66,405
Agriculture	8,969	7,832	5,867	5,105
Forestry and fisheries	1,236	212	277	313
Mining	1,017	965	962	862
Contract construction	2,306	1,941	3,740	4,135
Manufacturing	10,556	11,009	16,364	17,047
Wholesale and retail trade	7,821	8,783	11,936	12,953
Finance, insurance, and real estate	1,575	1,611	2,125	2,716
Transportation	3,034	2,256	3,014	2,849
Communications and public utilities	1,034	901	1,324	1,514
Services	6,484	6,707	7,906	8,982
Government	3,184	6,267	9,260	9,925
Rest of the world	0	2	5	4

a/ This series measures man-years of full-time employment by persons working for wages or salaries and by active proprietors of unincorporated enterprise devoting the major portion of their time to the business.

Sources:

1929 and 1940: U. S. Office of Business Economics, National Income, 1954, Table 28, pp. 202-203.

1951 and 1957: U. S. Office of Business Economics, U. S. Income and Output, 1958, Table VI-16, p. 214.

TABLE IB-2

Growth in Employment, by Industry, United States
Selected Years, 1929 to 1957

Industry	Ratio of: 1940 to 1929	1951 to 1940	1957 to 1951	1957 to 1929
All industries	1.05	1.29	1.07	1.44
Agriculture	0.87	0.75	.87	0.57
Forestry and fisheries	0.90	1.31	1.13	0.25
Mining	0.95	1.00	.90	0.85
Contract construction	0.84	1.93	1.11	1.79
Manufacturing	1.04	1.49	1.04	1.61
Wholesale and retail trade	1.12	1.36	1.09	1.66
Finance, insurance, and real estate	1.02	1.32	1.28	1.72
Transportation	0.74	1.34	0.95	0.94
Communications and public utilities	0.87	1.47	1.14	1.46
Services	1.03	1.18	1.14	1.39
Government	1.97	1.48	1.07	3.12
Rest of the world	--a/	2.50	0.80	--

a/ Dashes indicate no data available.

Source: Table IB-1.

In nearly all such measures, man-hour or employment indices include all kinds of workers--proprietors, unpaid family labor, wage earners, and nonproduction and production employees alike. The labor input in nonfarm industries from 1900 through 1957 appears to have increased at an average annual rate of about 1.6 per cent. If this labor input be weighted by base period average hourly compensations, the rate would rise to 1.8 per cent in nonfarm industries representing a long run and virtually continuous shift of labor to higher paid employment sectors. Nonfarm employment in terms of number of employees increased about 0.6 per cent more than the nonfarm man-hours index, representing the long-run decline in the work week. In about 40 nonfarm industries for which data are available, man-hour inputs have increased at an average annual rate of about 1.6 per cent.

It is important to note that the substitution of capital for labor inputs in the economy as a whole has been at an annual average rate of about 0.3 per cent. The rate of substitution of capital for labor in agriculture over the same period has been about twice that magnitude, with an average annual rate of increase of 0.6 per cent. This indicates that in recent years especially the substitution of capital for labor inputs in the American farm economy has proceeded at an even faster pace than in other industries.

Employment of labor in various industry groupings is shown in Tables IB-1 and IB-2. The total labor force had increased to 66.4 million in 1957. This represented an increase of 44 per cent from 1929. The sharp decline in absolute and relative labor inputs in agriculture is shown clearly. Almost 9 million people were employed in agricultural industries in 1929. In 1957, only 5.1 million were so employed. Thus, employment in agriculture in 1957 for the country as a whole was only 57 per cent of the magnitude prevailing in 1929. Declines also occurred over that period in forestry and fisheries, mining, and transport trades. Substantial growth occurred in all other industries. Employment increased sharply in construction, manufacturing, trade, financial industries, communication, and public utilities and services. However, the major increase occurred in government. In 1957, government employees were 312 per cent of the numbers in 1929. Nearly 10 million people were employed as labor inputs in the government sector.

There is some evidence of relatively greater growth in service industries than in secondary or fabricating industries in the years 1951-1957. Increases in inputs of labor, in services, finance, and communication exceeded 10 per cent

The increase in manufactures in that period was only 4 per cent. This may well be a long-term trend with growth in manufacturing employment perhaps slowing down, eventually to follow the same pattern as the decline in agricultural employment.

In 1929, employment in manufacturing alone was larger than employment in agriculture. As late as 1940, agriculture was the third most important employment sector in the economy. In 1951, the agricultural sector had dropped to fifth place.

Again, over the past 60 years, there has been great fluidity and mobility of labor inputs among industry groups. There has been a similar fluidity of capital inputs. The rate of substitution of capital for labor does not appear to have decelerated. Of great importance here, the rate of substitution of capital for labor in agriculture is substantially higher than in the economy as a whole.

Total Productivity.--Table IB-3 is drawn from the work by John W. Kendrick titled "Productivity Trends in Agriculture and Industry," published in the Journal of Farm Economics, vol. XL, no. 5, December, 1958, pp. 1554-1564. Average annual rates of change are shown over the years 1889-1957 and for several subperiods. Over that approximate six decades, real gross product has been unstable in rate of growth. Further, there has been a marked difference in average annual rate of increase in real gross product between the farm and nonfarm industries. Thus, for farming, on the average, real gross product increased at the average annual rate of 1.1 per cent. In the depression period of 1929-1937, the rate for farming fell to 0.3 per cent. There was recovery in a rate of increase of real output in 1937-1948 to an average annual rate of about 1.4 per cent with another sharp decline to 1.0 per cent in the years 1948-1957. Against this, the long-run average rate of increase in real gross product in the nonfarm industries was 3.9 per cent. There was an extremely sharp drop in the depression years of 1929-1937, with a rapid recovery in 1937-1948 and a rate of 3.8 per cent in the years 1948-1957. Thus, the last available data indicate a long-run average annual rate of increase in real gross product in the nonfarm industries almost four times that prevailing in the farm sector.

The total factor productivity measures, derived essentially as described above, also vary sharply. The average annual rate of increase in farming in the depression period was 0.8 per cent against a rate of 1.7 for the nonfarm industries. For the years 1937-1948, total factor productivity in the agricultural industries had risen to an average annual rate of 2.7 per cent against

TABLE IB-3

Output, Total Factor Productivity and Partial Productivity Ratios
Farm and Nonfarm Sectors of the Private Domestic Economy, United States
Annual Average Rates of Changes, 1899-1957 and Subperiods

	1889-1957	1889-1899	1899-1909	1909-1919	1919-1929	1929-1937	1937-1948	1948-1957
	per cent							
Real gross product								
Farm	1.1	2.3	0.7	0.6	1.0	0.3	1.4	1.0
Nonfarm	3.9	5.4	5.1	3.4	4.1	0.1	4.8	3.8
Total factor productivity								
Farm	1.3	1.0	-0.2	-0.3	1.2	0.8	2.7	3.7
Nonfarm	1.8	1.7	1.6	1.3	2.0	1.7	2.1	2.0
Output per unit of labor input								
Farm	1.8	1.3	0	0	1.2	0.8	3.8	5.7
Nonfarm	2.1	2.4	1.8	1.8	2.4	1.9	1.9	2.6
Output per unit of capital input								
Farm	0.2	0.5	-0.7	-0.7	1.2	0.8	0.4	-0.2
Nonfarm	0.8	-0.2	0.8	0.2	1.1	1.0	2.9	-0.3

Source: Journal of Farm Economics, vol. XL, no. 5, December, 1958, "Productivity Trends in Agriculture and Industry," by John W. Kendrick, pp. 1554-1564; Table 2, p. 1560.

2.1 per cent for the nonfarm industries. In the years 1948-1957, total factor productivity, a measure of over-all increase in efficiency, had risen to an average annual rate of 3.7 per cent against 2.0 per cent for the nonfarm trades. Thus, there appears to be no question that in recent years at least, the total efficiency of agricultural production taken with respect to all inputs has increased sharply and at a substantially higher rate than that prevailing in the rest of the economy. There can be no issue made of the obvious fact that the American agricultural economy is maintaining a remarkable rate of increase in over-all efficiency.

Capital Productivity.--Kendrick's calculations with respect to approximate measures of partial productivity ratios are shown in Table IB-3. Thus, the average annual rate of increase in the nonfarm industries was 1.1 per cent for the years 1919-1929 against 1.2 per cent for the farm industries. In the depression years, 1929-1937, the rate was 1.0 per cent in the nonfarm trades and 0.8 per cent in agriculture. During 1937-1948, the rough measure of capital productivity was almost 3 per cent as a rate of increase in the nonfarm trades against 0.4 per cent in the farm industries. Apparently, in the years 1948-1957, there was a diminishing rate of increase in productivity of capital inputs in both farm and nonfarm sectors.

Labor Productivity.--The Kendrick data in Table IB-3 show the really remarkable increase in labor productivity in agriculture occurred in the years 1937-1948, when the average annual rate of increase was 3.8 per cent against 1.9 per cent in the nonfarm industries. This productivity increase, reflecting changes in both economic and technological efficiency with respect to inputs of other factors, was, during 1948-1957, at the remarkably high level of 5.7 per cent against a similar rate of 2.6 per cent in the nonfarm trades.

In Table IB-4, real output per worker in constant 1954 dollars is a rough index of the changes in average productivity--understanding the limitations of such measures--by industry groupings for the years 1929, 1940, 1951, and 1957. Using labor as a carrier to which is imputed by this method of calculation the full increase in productivity, regardless of its source or the participation of other productive resources, output per worker has increased by some 52 per cent since 1929. Growth has been fairly equal for all industries. The peculiar status of per-capita real output in the financial industries may reflect difficulties associated with the 1929 base period. Growth in output per worker

TABLE IB-4

Real Output Per Worker, in Constant Dollars,a/ by Industry, United States 1929, 1940, 1951, and 1957

Industry	1929	1940	1951	1957
	1954 dollars			
All industries	3,310	3,430	4,630	5,040
Agriculture	1,570	1,580	3,510	2,750
Forestry and fisheries	1,440	1,680	2,490	2,790
Mining	3,500	3,950	5,940	6,610
Contract construction	2,870	2,700	3,950	4,370
Manufacturing	3,610	4,140	5,620	6,070
Wholesale and retail trade	2,970	3,330	4,110	4,230
Finance, insurance, and real estate	14,020	10,390	11,540	11,720
Transportation	3,810	4,560	5,130	5,570
Communications and public utilities	4,820	6,920	6,520	8,110
Services	2,770	2,690	3,300	4,040
Government	2,780	2,850	3,390	3,970

a/ Rounded to nearest tens of dollars.

Source: Real output (national income in constant dollars), Table IA-2, divided by employment, Table IB-1.

TABLE IB-5

Growth in Real Output Per Worker, by Industry, United States
Selected Years, 1929 to 1957

Industry	Ratio of			
	1940 to 1929	1951 to 1940	1957 to 1951	1957 to 1929
All industries	1.04	1.35	1.09	1.52
Agriculture	1.01	2.22	0.78	1.75
Forestry and fisheries	1.17	1.48	1.12	1.94
Mining	1.13	1.50	1.11	1.89
Contract construction	0.94	1.46	1.11	1.52
Manufacturing	1.15	1.36	1.08	1.68
Wholesale and retail trade	1.12	1.23	1.03	1.42
Finance, insurance, and real estate	0.74	1.11	1.02	0.84
Transportation	1.20	1.12	1.09	1.46
Communications and public utilities	1.44	0.94	1.24	1.68
Services	.97	1.23	1.22	1.46
Government	1.03	1.19	1.17	1.43

Source: Table IB-4.

in agriculture has been in the order of 75 per cent, substantially above the average. Again, there is a sharp drop using 1951 as a base period indicating the very drastic decline in agricultural prices relative to others. These data again seem to indicate substantial fluidity within the segments of the economy. The range in growth of output per worker from 1929 to 1957 (excluding the drop in finance industries) covers a low of 43 per cent in government to a high of 94 per cent in forestry and fisheries. Considering differences in production functions and changes therein, the patterns of growth in this rough measure of labor productivity do not differ sharply among the various industries.

Summary Statement.--Total factor inputs have increased at an average annual rate of something over 2 per cent in the American economy as a whole. Capital inputs in the nonfarm industries have increased at about a 3 per cent annual average rate. Labor increases have been at an average annual rate of about 1.6 per cent if unweighted by compensation and at a rate of about 1.8 per cent if so weighted. Capital has been substituted for labor at the rate of about 0.3 per cent per year in the nonagricultural industries and at twice that rate in agriculture. Total productivity has increased at a long-run average rate of 1.3 per cent although in the decade 1948-1957 the rate rose to 3.7 per cent for farm industries. For nonfarm industries the long-run rate of increase was 1.8 per cent with a 2.0 per cent increase in the decade 1948-1957. There have been substantial changes in labor inputs and labor productivity alike. There appears to be a tendency toward equalization of output value rates along with a clearly demonstrated flexibility in moving labor resources among industry groupings.

Distribution of Productivity Benefits

Differential productivity rates are rough indices of the relative changes in the contributions of various inputs in the different industries and regions to total output. Wage rates can be taken as very rough indices of the realized marginal revenue products of the various inputs. These may also be taken as indices of the earned contributions of the several factors to the value of total output. In this sense, they approximate the concept of the marginal revenue product defined above. As indicated above, this magnitude measures not merely the earned marginal contribution of the factors but also reflects the amount which can be paid to each of the contributing factors in an equilibrium allocation where the sum of the distributive shares will exactly exhaust the total product. Total payments to factors are approximations to the distributive shares. Changes in such distributive shares will reflect changes in rates per

unit per factor and the number of each type of factor used. Comparison of changes in the distributive shares to factor classes with the changes in productivity will give a rough indication of the degree to which such productivity changes have, in fact, been reflected by changes in distributive shares. Accordingly, data are presented with respect to rates of return and to total shares for the major classes of factors by major industry and regional classifications.

Table IC-1 provides detail with respect to the distribution of national income between broad categories of recipients. This, in effect, is a measure of the realized distributive shares accruing to the owners of specified types of factors and to hired employees. The income to which the distributive shares refer is national income. This includes earnings retained by corporations and excludes transfer payments. The data again indicate the remarkable fluidity of the American economy.

Perhaps most striking is the remarkable increase in the share of national income accruing to employees. This has risen from 58.2 per cent of national income in 1929 to 70 per cent in 1957. Part of this recorded increase in the share of labor--an index that labor has, in fact, greatly benefited from the increases in total productivity outlined above--may be attributable to the fact that a larger percentage of the labor force in total now consists of hired employees. This may also reflect the shifting of people who were formerly proprietors to an employed basis. However, all data presently available indicate that a greater share of total national income goes to labor after adjusting for the increased number of people in the hired category. The decline in proprietor income has been quite steady, dropping from 16.8 per cent of the national income in 1929 to 11.8 per cent in 1957, or a drop of almost one third. Decline in income to property owners as a share of the national income has also been sharp--dropping from 25.0 per cent in 1929 to 18.2 per cent in 1957.

The breakdown of compensation to employees is also illuminating. Using 1930 as a base, wages and salaries account for only 4.4 per cent more of the total national income than was true in 1930. This, of course, does not mean that incomes rose by only that amount. Supplements to wages and salaries accounted for almost exactly as much increase in compensation to employees as did increases in wages and salaries. These supplements to wages and salary rose from approximately 1 per cent in 1935 to 4.5 per cent of the income payments in

TABLE IC-1

Percentage Distribution of National Income, by Type of Income, United States
Selected Years, 1929 to 1957

Year	National income total	Compensation of employees			Proprietor income			Property income			
		Total	Wages and salaries	Supplements to wages and salaries	Total	Business and professional	Farm	Total	Rental income	Corporate profits	Net interest
	per cent										
1929	100.0	58.2	57.4	0.8	16.8	10.0	6.8	25.0	6.2	11.5	7.3
1930	100.0	61.9	61.0	0.9	15.2	9.8	5.4	22.9	6.3	8.7	7.9
1935	100.0	65.4	64.3	1.1	18.2	9.4	8.8	16.4	2.9	5.1	8.4
1940	100.0	63.9	61.0	2.9	15.9	10.3	5.6	20.2	3.5	11.2	5.5
1945	100.0	68.0	64.9	3.1	17.0	10.5	6.5	15.0	3.1	10.2	1.7
1950	100.0	63.8	60.5	3.3	15.5	9.7	5.8	20.7	3.7	14.7	2.3
1951	100.0	64.6	61.2	3.4	15.1	9.3	5.8	20.3	3.4	14.7	2.2
1955	100.0	67.8	63.9	3.9	12.8	9.2	3.6	19.4	3.2	13.1	3.1
1956	100.0	69.2	65.1	4.1	12.2	8.8	3.4	18.6	3.1	12.3	3.2
1957	100.0	70.0	65.4	4.6	11.8	8.6	3.2	18.2	3.2	11.5	3.5

Source: U. S. Office of Business Economics, U. S. Income and Output, 1958, Table I-8, pp. 126-127.

TABLE IC-2

Distribution of Personal Income[a/] by Type of Income, by Region
United States, 1929, 1940, 1951, and 1957

Region	Personal Income, 1929				Personal Income, 1940			
	Total	Hired and other labor income	Proprietor income	Property income	Total	Hired and other labor income	Proprietor income	Property income
	millions of dollars							
United States	85,661	50,880	14,759	18,666	78,522	50,343	13,010	12,709
New England	7,125	4,446	758	1,815	6,398	4,194	630	1,368
Mideast	27,465	16,511	3,065	7,509	23,949	15,861	2,656	4,723
Great Lakes	20,235	12,884	3,044	3,984	17,818	12,194	2,619	2,489
Plains	7,584	4,041	2,198	1,187	6,515	3,625	1,789	861
Southeast	9,990	5,535	2,816	1,461	10,387	6,423	2,441	1,239
Southwest	4,254	2,258	1,203	727	4,090	2,318	1,075	578
Rocky Mountain	1,614	973	362	250	1,598	935	391	196
Far West	7,394	4,231	1,314	1,734	7,767	4,792	1,409	1,254
California	5,502	3,048	939	1,434	5,839	3,540	1,043	1,013
	percentage distribution							
United States	100.00	59.40	17.23	21.79	100.00	64.11	16.57	16.19
New England	100.00	62.40	10.64	25.47	100.00	65.55	9.85	21.38
Mideast	100.00	60.12	11.16	27.34	100.00	66.23	11.09	19.72
Great Lakes	100.00	63.67	15.04	19.69	100.00	68.44	14.70	13.97
Plains	100.00	53.28	28.98	15.65	100.00	55.64	27.46	13.22
Southeast	100.00	55.41	28.19	14.62	100.00	61.89	23.50	11.93
Southwest	100.00	53.08	28.28	17.09	100.00	56.67	26.28	14.13
Rocky Mountain	100.00	60.29	22.43	15.49	100.00	58.51	24.47	12.27
Far West	100.00	57.22	17.77	23.45	100.00	61.70	18.14	16.15
California	100.00	55.40	17.07	26.06	100.00	60.63	17.86	17.35

(Continued on next page.)

Table IC-2 continued.

Region	Personal Income, 1951				Personal Income, 1957			
	Total	Hired and other labor income	Proprietor income	Property income	Total	Hired and other labor income	Proprietor income	Property income
	millions of dollars							
United States	252,960	173,199	40,809	29,811	345,272	244,444	43,001	42,964
New England	16,809	12,095	1,605	2,391	22,687	16,169	1,868	3,446
Mideast	65,140	47,248	6,922	8,818	87,901	64,402	7,682	12,221
Great Lakes	57,557	41,569	8,054	6,334	77,559	57,470	8,528	8,725
Plains	21,733	12,408	6,103	2,430	27,913	17,030	6,066	3,522
Southeast	38,900	25,582	7,849	3,660	53,088	37,005	7,792	5,543
Southwest	16,794	10,575	3,714	1,855	23,438	16,000	3,719	2,764
Rocky Mountain	5,770	3,467	1,450	620	7,731	5,058	1,415	920
Far West	30,257	20,255	5,112	3,703	44,955	31,309	5,933	5,822
California	22,726	15,247	3,689	2,902	35,131	24,596	4,478	4,667
	percentage distribution							
United States	100.00	68.47	16.13	11.78	100.00	70.80	12.45	12.44
New England	100.00	71.96	9.55	14.22	100.00	71.27	8.23	15.19
Mideast	100.00	72.53	10.63	13.54	100.00	73.27	8.74	13.90
Great Lakes	100.00	72.22	13.99	11.00	100.00	74.10	11.00	11.25
Plains	100.00	57.09	28.08	11.18	100.00	61.01	21.73	12.62
Southeast	100.00	65.76	20.18	9.41	100.00	69.70	14.68	10.44
Southwest	100.00	62.97	22.12	11.05	100.00	68.27	15.87	11.79
Rocky Mountain	100.00	60.09	25.13	10.75	100.00	65.42	18.30	11.90
Far West	100.00	66.94	16.90	12.24	100.00	69.65	13.20	12.95
California	100.00	67.09	16.23	12.77	100.00	70.01	12.75	13.28

s/ Columns do not add to totals because personal income includes transfer payments less personal contribution for social insurance in addition to the components shown here.

Sources:

1929, 1940, and 1951: U. S. Office of Business Economics, Personal Income by States Since 1929, Tables 4-62.

1957: U. S. Office of Business Economics, Survey of Current Business, August, 1958, Tables 4-62.

1957. The fact that 4.5 per cent of the national income is now so used reflects the rapid increase in health, welfare, pension, and other supplementary funds.

Proprietors and business income as a share of the national income both declined sharply. The decrease of the share accruing to business and profession proprietors from a level of 10.5 per cent in 1945 to 8.6 per cent in 1957 may reflect in part the decline in the number of small retailers. Similarly, farm proprietors' income has decreased from 8.8 per cent in 1935 to 3.2 per cent in 1957. At least in terms of distributive shares and for the economy as a whole, labor appears effectively to have obtained, and apparently from the productivity data to have earned, the greater share in the benefits of enhanced efficiency. Farm proprietorships have declined some 50 per cent in their relative share in the past 15 years.

Property income shows essentially the same patterns except for corporate profits. Rental incomes have fallen substantially from the 1930 levels but have retained a fairly stable share of the national income since 1935. Corporate profits, on the other hand, have in general grown somewhat above their long-run shares except when compared to the high wartime levels prevailing in 1950-51. Net interest has also gone down sharply.

Thus, the data available indicate that the substantial increase in labor productivity has been reflected in equally substantial increases in distributive shares.

Regional and Personal Distribution.--Similar data are shown with respect to personal income in current dollars by regions of the nation. (IC-2). Fundamentally, the regional figures show the same pattern as does the national presentation in Table IC-1.[1/] The share of the income in California accruing to hired and other labor is almost exactly the same as the national average percentage of personal income accruing to hired and other labor. The same pattern of equalization manifested for factor productivity is also shown in terms of the distributive shares. The Plains still lag behind in terms of relative distributive shares to labor. The Southeast and the Southwest are coming closer to the national average. The areas in which the distributive share of labor in national personal income is relatively low appear also to be the low-income areas. Relative shares are below the national average in the Plains, the Southeast, and the Rocky Mountain regions.

1/ The shares add up to a little less than 100 per cent because transfer payments are not counted.

Proprietor share in personal income has declined from 17.23 per cent in 1929 to 12.45 per cent in 1957. Again, the share of proprietorship in California has declined about in the same way as that for the nation and is presently at just about the national average. Proprietorship incomes are high in those regions in which the labor share is relatively low. Thus, proprietorship accounts for 21.73 per cent of personal income in the Plains area against 61.01 per cent for labor.

There are still regional differentials with respect to property. Thus, in New England, where proprietorship income is relatively low, property income is higher than the average. Property income is also a little higher than the national average share in the Plains area, in which proprietor income as a share of the national personal income is substantially higher than the average. In this category, California also reflects the national average quite closely.

Growth and Shares.--An over-all picture of economic growth in the United States between 1929 and 1956 can be gotten by reference to Tables IC-3 and IC-4. For the United States population as a whole, growth in total income from the 1929 base period was 120 per cent. The growth in total income accruing to hired labor was 161 per cent. Growth in income to proprietors was 58 per cent. Growth in property income was only 63 per cent. Thus, on an aggregate basis, by far the major part of growth in total income over the quarter century at issue accrued to hired labor. When expressed in terms of income per unit, the differences in distribution are less drastic. Thus, again with 1929 as a base, the per-unit increase in income to hired labor increased 66 per cent, that to proprietors by 64 per cent, and to private productive property by only 20 per cent. Private productive property is total United States wealth minus consumer durables, such as automobiles and public land.

Reference to Table IC-4 will indicate that total employment rose by 43 per cent from 1929 to 1956, that hired labor increased by 57 per cent, and that the number of proprietors declined by 4 per cent. Total wealth rose by 46 per cent. There was a decline in the value of land of 4 per cent. The value of structures increased by 29 per cent. Producer durables, capital goods, increased by 127 per cent. Inventories increased in value by 69 per cent. The value of consumer durables as a stock increased by 162 per cent. Again, the data seem to indicate particularly with respect to consumer goods, that wealth increased more sharply in goods purchased by consumers than in goods used as capital assets.

TABLE IC-3

Some Indicators of Growth of the Economy, United States
1929 to 1956
(1956 expressed as a relative of 1929; 1929 = 100)

Item	Growth in total real income	Growth in number of units	Growth in real income per unit
United States population	220	138	159
Hired labor	261	157	166
Proprietors	158	96	164
Property owners	163	146	112
Private productive property	163	136	120

Source: Table IC-6

TABLE IC-4

Some Indicators of Growth in Sectors of the Economy United States, 1929 to 1956 (1956 expressed as a relative of 1929; 1929 = 100)

Item	1956 relative to 1929
Total employment	143
Hired labor	157
Proprietors	96
Total wealth	146
Land	96
Structures	129
Producer durables	227
Consumer durables	262
Inventories	169

Sources: Tables IC-7 and IC-8.

Greater detail with respect to the increase in distribution of output in the American economy are shown in Tables IC-5, IC-6, and IC-7. In Table IC-5, the magnitude in distribution of increases in wealth and income are shown in current values for 1929, 1940, 1950, and 1956. Thus, there was a virtual tripling of national wealth in current dollar terms from 1940 through 1956, over which years national wealth rose from 424 billion to 1,448 billion dollars. There was a similar increase in tangible assets, from 331 billion to 1,200 billion in 1956. Income received by employees rose from 52 billion dollars in 1940 to approximately 242 billion in 1956. Proprietor incomes rose from 13 billion to 42 billion dollars. Property incomes rose from 16 to 65 billion dollars. National income per capita rose from $618 in 1940 to $2,077 in 1956. The per-capita salaries of employees increased from $1,357 per year to $4,302 per year. Proprietor incomes rose from $1,287 to $4,240. Property income divided by national wealth rose from a rate of 3.9 per cent in 1940 to a rate of 4.5 per cent in 1956.

The same data are shown in terms of constant 1954 dollars in Table IC-6. In Table IC-7, the data in Table IC-6--expressed in constant 1954 dollars--are translated to index number terms with 1929 as the base period. Thus, there was approximately a 120 per cent increase in national income from 1929 to 1956. Population increased by 38 per cent, employment by 43 per cent, and the number of hired employees by 57 per cent. The number of proprietors declined approximately 4 per cent. National wealth increased by about 46 per cent and tangible assets rose some 66 per cent. Against this, there was an increase in real income expressed in constant dollars received by employees of 161 per cent. Proprietor income increased about 58 per cent and property income in real terms rose by 63 per cent. Per-capita income rose by 59 per cent, the average return per employee rose by 66 per cent. Average proprietor income rose by 64 per cent and average return to property rose by only 12 per cent. Thus, the conclusions that employees shared in the increase in national wealth and income to a greater extent proportionately than did any other class of income recipients seems firmly to be established.

Greater detail with respect to growth in capital items and to output per unit of capital is shown in Table IC-8. The upper panel of the table expresses the changes in terms of current dollars on a replacement value basis and the lower panel expresses the same changes in terms of constant 1929 dollars. First, the apparent income and wealth are, of course, drastically reduced when those

TABLE IC-5

Development of the Economy, United States
1929, 1940, 1950, and 1956

	1929	1940	1950	1956
(1) National income[a]	87.8	81.6	241.9	349.4
(2) Population[b]	121.8	132.1	151.7	168.2
(3) Employment[c]	46.2	48.5	58.7	66.2
(4) Employees (hired)	35.8	38.4	48.7	56.2
(5) Proprietors	10.4	10.1	10.0	10.0
(6) National wealth[a]	439.1	424.2	1,025.3	1,448.2
(7) "Productive" private property[d]	369.2	368.9	870.1	1,237.6
(8) Tangible assets[e]	313.2	331.2	836.9	1,199.6
Income received[a]				
(9) By employees	51.1	52.1	154.2	241.8
(10) By proprietors	14.8	13.0	37.5	42.4
(11) By property owners	22.0	16.5	50.2	65.1
Income received per unit				
(12) National income per capita[f]	721	618	1,595	2,077
(13) Employee income per employee[f]	1,427	1,357	3,166	4,302
(14) Proprietor income per proprietor[f]	1,423	1,287	3,750	4,240
(15) Implicit interest rate (property income as a share of national wealth)	.050	.039	.049	.045
(16) Property income as a share of productive private property	.060	.045	.058	.053

(Continued on next page.)

Table IC-5 continued.

a/ In billions of dollars.

b/ In millions.

c/ Millions of man-years equal full-time equivalent workers and proprietors.

d/ Land and reproducible tangible assets minus consumer durables and public land; billions of dollars.

e/ Excludes land.

f/ Dollars.

Sources:

(1): U.S. Office of Business Economics, U. S. Income and Output, 1958, Table I-8, pp. 126-127.

(2): U. S. Bureau of the Census, U. S. Statistical Abstract, 1958, Table 2, p. 5.

(3): U. S. Office of Business Economics for 1950 and 1956: U. S. Income and Output, 1958, Table VI-16; for 1929 and 1940, National Income, 1954 ed., Table 28.

(4): For 1950 and 1957--ibid., Table VI-13; for 1929 and 1940, ibid., Table 25.

(5): Residual--(3) minus (4).

(6), (7), and (8): Goldsmith, Raymond, A Study of Saving in the United States, vol. III, Table W-3, p. 20; also, U. S. Bureau of the Census, U. S. Statistical Abstract, 1959, Table 422.

(9), (10), and (11): U. S. Office of Business Economics, U. S. Income and Output 1958, Table I-8, pp. 126-127.

(12): (1) divided by (2).

(13): (9) divided by (4).

(14): (10) divided by (5).

(15): (11) divided by (6).

(16): (11) divided by (7).

TABLE IC-6

Development of the Economy, in Real Terms, United States
1929, 1940, 1950, and 1956

	1929	1940	1950	1956
(1) National income[a/]	152.8	166.5	270.9	335.4
(2) Population[b/]	121.8	132.1	151.7	168.2
(3) Employment[c/]	46.2	48.5	58.7	66.2
(4) Employees (hired)	35.8	38.4	48.7	56.2
(5) Proprietors	10.4	10.1	10.0	10.0
(6) National wealth[d/]	954.0	934.3	1,116.4	1,388.4
(7) "Productive" private property[d/]	813.4	799.4	903.3	1,103.2
(8) Tangible assets[d/]	691.5	715.2	914.2	1,151.0
Income received[a/]				
(9) By employees	88.9	106.2	172.7	232.1
(10) By proprietors	25.8	26.5	42.0	40.7
(11) By property owners	38.3	33.7	56.2	62.5
Income received per unit				
(12) National income per capita[e/]	1,255	1,260	1,786	1,994
(13) Employee income per employee[e/]	2,483	2,766	3,546	4,130
(14) Proprietor income per proprietor[e/]	2,481	2,624	4,200	4,070
(15) Implicit interest rate (property income as a share of national wealth)[f/]	.040	.036	.050	.045
(16) Property income as a share of productive private property	.047	.045	.062	.057

(Continued on next page.)

Table IC-6 continued.

a/ In billions of 1954 dollars.

b/ In millions.

c/ Millions of man years equal full-time equivalent workers and proprietors.

d/ In billions of 1955 dollars; approximately equal to 1954.

e/ Dollars.

f/ Differences between these values and those of Table IC-5 reflect differences between price deflators for national income and those for national wealth.

Sources: Table IC-5, corrected for changes in the value of the dollar by price deflators given in U. S. Office of Business Economics, U. S. Income and Output, 1958, Table VII-2, pp. 220-221; except for (6), (7), and (8) which have same sources as (6), (7), and (8) in Table IC-5, but Table 423 instead of Table 422.

TABLE IC-7

Growth of the Economy, in Real Terms, United States
Selected Years, 1929 to 1956
(1940, 1950, and 1956 expressed as relatives of 1929; 1929 = 100)

	1929	1940	1950	1956
(1) National income	100.0	109.0	177.3	219.5
(2) Population	100.0	108.5	124.6	138.1
(3) Employment	100.0	105.0	127.1	143.3
(4) Employees (hired)	100.0	107.3	136.0	157.0
(5) Proprietors	100.0	97.1	96.2	96.2
(6) National wealth	100.0	97.9	117.0	145.5
(7) "Productive" private property	100.0	98.3	111.1	135.6
(8) Tangible assets	100.0	103.4	132.2	166.4
Income received				
(9) By employees	100.0	119.5	194.3	261.1
(10) By proprietors	100.0	102.7	162.8	157.8
(11) By property owners	100.0	88.0	146.7	163.2
Income received per unit				
(12) National income per capita	100.0	100.5	142.3	158.9
(13) Employee income per employee	100.0	111.4	142.9	166.3
(14) Proprietor income per proprietor	100.0	105.8	169.2	164.0
(15) Implicit interest rate (property income as a share of national wealth)	100.0	90.0	125.4	112.2
(16) Property income as a share of productive private property	100.0	89.5	132.0	120.4

Source: Table IC-6.

TABLE IC-8

National Wealth, by Type of Assets, in Current and Constant Dollars, United States
Selected Years, 1929 to 1956

Year	United States wealth, Total	Reproducible tangible assets						Land				
		Total	Structures	Inventories	Equipment			Total	Private farm	Private forest	Other private	Public
					Total	Producer durables	Consumer durables					
	replacement values in billions of dollars											
1929a/	439.1	313.2	189.8	38.0	80.6	38.4	42.2	113.5	34.9	3.1	61.1	15.3
1930a/	410.1	293.4	182.4	31.2	74.7	36.7	38.0	104.1	31.9	2.7	54.2	15.2
1935a/	344.9	256.1	163.7	25.9	55.2	29.3	25.9	82.7	23.9	2.6	40.0	16.1
1940a/	424.2	331.2	200.2	33.3	73.5	37.0	36.5	92.2	23.9	3.0	47.2	18.0
1945a/	570.6	441.5	265.1	52.3	101.3	50.3	51.0	128.0	44.5	3.6	55.9	24.0
1949a/	893.2	720.7	408.4	81.1	203.5	104.2	99.3	160.0	54.2	4.3	71.3	30.0
1950b/	1,025.5	836.9	492.0	96.5	221.6	112.4	109.2	175.4	58.2	8.7	75.5	33.0
1955b/	1,339.9	1,110.6	669.8	111.3	303.5	159.8	143.7	213.9	68.8	10.2	97.6	37.3
1956b/	1,448.2	1,199.6	721.7	120.3	331.2	177.6	153.6	230.7	74.0	12.2	105.4	39.1
	replacement values in billions of 1929 dollars											
1929c/	445.8	318.7	193.5	38.0	83.0	39.1	43.8	114.7	34.9	3.1	61.4	15.3
1930c/	450.7	322.7	197.2	37.6	83.4	39.6	43.9	114.9	34.7	3.2	59.0	17.9
1935c/	410.5	297.1	189.5	31.5	69.8	32.2	37.6	105.9	33.7	3.0	50.6	18.5
1940c/	436.6	329.6	193.7	39.3	83.2	36.2	47.0	106.1	32.3	3.5	49.4	20.8
1945c/	435.6	321.5	185.3	44.0	89.4	42.6	46.9	103.3	35.9	3.1	43.4	20.8
1949c/	515.7	405.8	202.5	50.4	137.1	64.3	72.8	98.1	36.9	2.6	40.3	18.4
1930d/	521.7	421.3	204.1	51.8	151.1	68.8	82.3	94.0	31.1	4.7	40.4	17.7
1955d/	625.4	511.2	239.9	62.6	194.9	85.6	109.3	106.5	34.3	5.1	48.6	18.6
1956d/	648.8	530.4	248.9	64.2	203.3	88.7	114.6	110.7	35.5	5.9	50.6	18.8

a/ Goldsmith, Raymond, A Study of Saving in the United States, vol. III, Table W-1, pp. 14-15.

b/ U. S. Bureau of the Census, United States Statistical Abstract, 1959, Table 422, p. 324.

c/ Goldsmith, op. cit., Table W-3, pp. 20-21.

d/ U. S. Bureau of the Census, op. cit., Table 423, p. 325; 1947-1949 data converted to 1929 base. Some figures were estimated or inferred from data in sources cited above, namely, total United States wealth and land values.

(Note: Data should be considered as approximations only; they frequently do not add to totals.)

data are deflated. The increase in the value of reproducible tangible assets is also greatly diminished. However, there is an actual decline in the value of land over the years 1929-1956 when deflation in constant dollars is applied. Thus, land value in the United States economy in 1929 was approximately 115 billion dollars. When deflated by 1929 dollars, the 1956 value was 111 billion. There was a substantial increase in the constant-dollar value of structures from approximately 193 billion dollars in 1929 to nearly 250 billion dollars in 1956. Equipment value increased at an even faster rate. From a level of 83 billion dollars as late as 1940, 1956 value in constant dollars was 203 billion. Inventories increased from a constant dollar value of 38 billion to a 1956 constant dollar value of 64 billion. A breakdown of equipment into producer durables and consumer durables indicates a relatively greater increase in value in the latter category. In 1930, producer durables were valued at approximately 40 billion dollars, with an approximate constant-dollar value of 89 billion in 1956. The comparable figures for consumer durables were 44 billion and 115 billion.

There appeared to be no real increase in the value of private farm land. The 1929 value was estimated at 35 billion dollars. Deflated by 1929 dollars, the 1956 value was again at 35 billion. Private forest land virtually doubled in value with the greater part of the increase occurring after 1950. Other private land appears, in fact, to have decreased in value. There was a very minor apparent increase in value of publicly held lands.

These data again seem to indicate that consumer durables increased most in value. Land did not really appreciate. Reproducible tangible assets did appreciate quite substantially.

Summary Statement

The changes in real output, the contribution of participating factors, and the measures of productivity are quite consistent with the changes in rates per unit of remuneration which approximate the marginal revenue products and the distributive shares which reflect the participation in the benefits of increased productivity. Analysis of relative changes over time fortifies this observation. In summary, there is every indication that the labor force of the nation has participated in the benefits of increased total productivity at least in proportion to their own contribution to the enhanced over-all productivity of the nation's productive plants.

The United States Farm Economy

A different analytical structure is required in presenting a description of total changes in real output of the agricultural economy; the amount, types, and productivity of the contributing factors; and the distribution of benefits. In reference to the total U. S. economy, no account need be taken for the purposes of this presentation of intermediate purchases. However, farming is only one sector of the total economy. One of the major changes in that sector has been a rapidly-increasing dependence upon purchased production inputs, the prices of which are not determined exclusively by revenue productivity in agriculture. Further, the magnitude of the purchased inputs substantially affects the net value of farm output generated on farms. Introduction of off-farm inputs is related to the productivity of all factors and is a major source of changes in technological efficiency. Finally, the magnitude of such intermediate purchases is a major factor affecting the determination of wage rates to inputs and distributive shares among the factors used in agricultural production.

Farm Output

The gross value of farm output is the sum of deflated cash receipts, government payments, net changes in inventories, value of on-farm consumption, and the gross rental value of farm homes. Intermediate production expenses include such items as commercial seed, feed, fertilizers, fuels, irrigation services, and purchases from other farms. As indicated above, the net value of farm production is usually determined by subtracting the value of intermediate products from the value of the gross output.

Real Output.--Changes in farm production and output are described in Table IIA-1. Using 1947-1949 as a base, agricultural production in 1957 was 17 per cent above the base period magnitude. With a 1929 index value of 74, the total increase in agricultural output has been 39 index points. The calculated increase from 1929 to 1957 was 52.7 per cent. Again, these indices cannot be taken as direct reflections of physical volume of production. Rather, as in all measures of real output, they are weighted by values. Accordingly, the relatively small increase in index numbers reflects the effects of the price breaks in recent years.

Reference back to Table IB-3 will indicate that during 1937-1948 the average annual rate of increase in real farm output was approximately 1.4 per cent, dropping to 1.0 per cent in the years 1948-1957.

TABLE IIA-1

Farm Production by Type of Product, United States
1940, 1951, and 1957

Product	1929	1940	1951	1957	Per cent change 1929 to 1940	1940 to 1951	1951 to 1957	1929 to 1957
	1947-1949 = 100				per cent			
Farm output	74	83	103	113	+ 12.2	+24.1	+ 9.7	+ 52.7
Livestock and Products								
All livestock and products	77	87	112	121	+ 13.0	+28.7	+ 8.0	+ 57.1
Meat animals	77	89	117	120	+ 15.6	+31.5	+ 2.6	+ 55.8
Dairy products	82	92	100	111	+ 12.2	+ 8.7	+11.0	+ 35.4
Poultry and eggs	63	70	116	137	+ 11.1	+65.7	+18.1	+117.5
Crops								
All crops	79	85	99	106	+ 7.6	+16.5	+ 7.1	+ 34.2
Feed grains	83	85	97	121	+ 2.4	+14.1	+24.7	+ 45.8
Hay and forage	88	106	111	126	+ 20.5	+ 4.7	+13.5	+ 43.2
Food grains	66	67	82	79	+ 1.5	+22.4	- 3.7	+ 19.7
Vegetables	81	91	92	96	+ 12.3	+ 1.1	+ 4.3	+ 18.5
Fruits and nuts	76	95	106	112	+ 25.0	+11.6	+ 5.7	+ 47.4
Sugar crops	76	108	92	126	+ 42.1	-14.8	+37.0	+ 65.8
Cotton	104	88	106	77	- 15.4	+20.5	-27.4	- 26.0
Tobacco	75	72	115	83	- 4.0	+59.7	-27.8	+ 10.7
Oil crops	21	56	106	147	+166.7	+89.3	+38.7	+600.0
Feed used by horses and mules	227	167	73	35	- 26.4	-56.3	-52.1	- 84.6

Source: U. S. Department of Agriculture, Agricultural Statistics, 1957 (Washington: Govt. Print. Off., 1958), p. 546; and Agricultural Statistics, 1958 (Washington: Govt. Print. Off., 1959), p. 450.

The difficulties associated with unequivocal interpretation of an index of farm output if weighted by values can be exemplified by reference to the experiences from 1951 to 1957, inclusive. Farmers faced difficult transition problems. However, farm output increased despite a drop of 20 per cent in farm prices, an increase of 5 per cent in farm prices paid, and a decrease of 19 per cent in income from farms. Output increased approximately 10 per cent in 1951 to 1957, and the preliminary index for 1958 is approximately 18 per cent higher than the level for 1951. The increase for output averaged 1.7 index points per year from 1951 to 1957.

Thus, despite the difficulties of declining prices and net incomes, physical production was maintained at a high level.

Intermediate Inputs.--The importance of farm production expenses is clearly indicated in Table IIA-2. Most of the expenditures on off-farm input occurred in the latter years of the 1930 decade. Great growth in terms of absolute dollar expenditures occurred in the years 1940-1951. While gross farm income rose 238 per cent to a level of 37.3 billion over those years, farm production expenses increased by 228 per cent. Thus, from 1940 to 1951, the rise in prices paid to farmers and volume sold by them was slightly in excess of production expenses. Farm operators net income, reflecting these developments, rose by 253 per cent. With a decline in the number of farms, average income per farm rose from $720 in 1940 to a net per-farm income of $2,951 per year in 1951, or a rise of 310 per cent. A substantial squeeze has clearly occurred in the years 1951 to 1957. Realized gross farm income decreased some 8 per cent almost exclusively as a function of price declines.

At the same time, production expenses rose some 6 per cent. Intermediate purchases by farmers are almost entirely inputs of nonfarm origin. Nearly all of these inputs have an immense variety of alternative uses in other industries. Accordingly, the prices which must be paid for them largely reflect their productivity in other industries and are therefore by no means an unequivocal reflection of their productivity in agriculture alone. Thus, prices for such factors are not determined by farm demand alone. In consequence of increasing productivity in other industries in which product prices were rising, the increase in production expenses along with a decrease in realized gross income resulted in a decrease in farmers net income of approximately 28 per cent. The net income per farm dropped approximately 19 per cent. This is an accurate description of the price squeeze.

TABLE IIA-2

Farm Income, United States
1940, 1951, and 1957

Year	Realized gross farm income	Farm production expenses	Net farm income	Net income per farm
	million dollars			dollars
1940	11,038	6,749	4,289	720
1951	37,323	22,165	15,158	2,951
1957	34,330	23,490	10,840	2,388
	per cent change			
1940 to 1951	+238.1	+228.4	+253.4	+309.9
1951 to 1957	- 8.0	+ 6.0	- 28.5	- 19.1
1940 to 1957	+211.0	+248.1	+152.7	+231.7

Sources:

Cols. 1, 2, and 4: Iowa State University, Center for Agricultural Adjustment, Problems and Policies of American Agriculture (Ames, Iowa: Iowa State University Press, 1959), "Recent Changes in Resource Use and in Farm Incomes," by S. E. Johnson and K. L. Bachman, pp. 9-27; Table 2.1, p. 10

Col. 3: Residual--Column 1 minus Column 2.

Production expenses therefore reflect fundamental technological changes in the agricultural industries and create another major source of income instability. Agricultural prices are highly sensitive to changes in the volume of output. The elasticity of demand for farm products with respect to consumer income is also quite low. If price determination of purchased inputs largely depends upon conditions in other industries, a squeeze can easily appear and over the past decade has done so.

Net Output.--The dependence of agriculture upon inputs produced in other sectors of the economy is also shown clearly in Table IIA-3. In this table, using 1929 constant dollars, gross farm output has increased from 14.0 million dollars in 1937 to 21.9 billion dollars in 1957. As indicated earlier, the major expansion in real production occurred in the years 1937-1948. Using constant dollars, the immense increase of purchased inputs in the early wartime years is clearly shown. Thus, in 1937, farmers purchased only 3.1 billion dollars of off-farm inputs. By 1948, this magnitude had nearly doubled. Accordingly, the increase in net farm output actually generated on the farm is very much less than the increase in gross farm output. The ratio of net to gross output is a measure of the degree to which farm technology has changed by dependence upon off-farm inputs. Thus, in 1929, the ratio of net output to gross output was 78.1 per cent. Roughly, this indicated that only 21.9 per cent of the total gross value of farm output in that year was represented by off-farm inputs. Essentially the same ratio existed in 1937. By 1957, the ratio had dropped some 18 per cent to a level of 63.5 per cent. This means that more than 35 per cent of gross farm output was represented by off-farm inputs.

There is no indication of any recent change in the trend toward dependence upon intermediate purchases. Accordingly, it is doubtful that any stable relationship between gross farm output and net farm output can be expected in the future.

Per-Capita Output.--Changes in per-capita income may be taken as a rough index of per-capita real output. In Table IIA-4, the great disparity in value of output among farm and nonfarm people on a per-capita basis is obvious. In 1940, average per-capita farm income--or roughly output--was $262 against $685 in the nonfarm population. In 1951, the figures were respectively $983 and $1,763. By 1957, nonfarm per-capita income had risen to $2,102, while per-capita farm income had dropped to $974. There can be no doubt, therefore, that, if weighted by value terms, the per-capita output of farm people has lagged

TABLE IIA-3

Gross and Net Farm Output and Ratio of Net to Gross Output
in Constant Dollars, United States
Selected Years, 1929 to 1957

Item	1929	1937	1948	1953	1957
	billions of 1929 dollars				
Gross farm output	13.7	14.0	18.9	20.1	21.9
Intermediate purchases	3.0	3.1	6.1	7.0	8.0
Net farm output	10.7	10.9	12.8	13.1	13.9
	per cent				
Net farm output as percentage of gross farm output	78.1	77.9	67.7	65.2	63.5

Source: Journal of Farm Economics, vol. XL, no. 5, December, 1958, "Productivity Trends in Agriculture and Industry," by John W. Kendrick, pp. 1554-1564, Table 1, p. 1556.

TABLE IIA-4

Per-Capita Income of the Farm and Nonfarm Population, United States 1940, 1951, and 1957

Year	Average net income of the:			
	Nonfarm population, all sources	Farm population		
		All sources	Agricultural sources	Nonagricultural sources
	dollars			
1940	685	262	174	88
1951	1,763	983	751	232
1957	2,102	974	665	309
	per cent change			
1940 to 1951	+157.4	+275.2	+331.6	+163.6
1951 to 1957	+ 19.2	- .9	- 11.5	+ 33.2
1940 to 1957	+206.9	+271.8	+282.2	+251.1

Source: U. S. Department of Agriculture, Agricultural Outlook, 1960, November, 1959, p. 55.

sharply in the past seven years. Second, disparity between farm and nonfarm value of output per capita has widened considerably. Finally, it should be noted that approximately one-third of the average per-capita income or output of farmers is derived from nonagricultural sources.

Commodity Output.--Reference back to Table XIA-1 will indicate changes in farm production and output by major commodity groupings. With 1947-1949 as a base, 1957 production of all livestock products had increased 21 per cent. The increase in crops was 6 per cent. Among the livestock products, the major increase occurred in poultry and eggs, with a 37 per cent increase over the base period. Large increases occurred among the crops in feed grains, hay and forage, fruits and nuts, sugar crops, and oil crops. Table XIA-5 also shows the increasing importance of livestock.

Another highly important index of changing technology in agriculture is shown by a decline in feed used by horses and mules. In 1929, use of such feed was 227 per cent greater than the base period. Since the base period of 1947-1949, feed used by horses and mules has dropped to 35 per cent of the base period magnitude. This change reflects not merely a difference in the components of farm output but is also a major factor in the development of dependence on off-farm inputs.

The composition of farm output has therefore reflected changes in demand with the major exception of such highly supported commodities as grains, fibers, and perhaps sugar crops.

Regional Outputs.--The geographic location of farm production has been materially modified by changing technology. With a national increase in farm output of some 40 per cent during the past two decades, the increase among geographical areas has ranged from a low of 22 per cent in the Middle Atlantic states and 25 per cent in New England to about 60 per cent in the West North Central, the Mountain, and the Pacific states. In five regions, the rate of increase in output and in man-hour production appears to be closely related. In the other four regions, wide variation exists.

Changes in farm output from the base period 1935-1939 to 1955 were shown by regions in Table XIA-6. Similar data are available in Table XIA-7. There has been a slight decline in the percentage of national farm income generated in the mid-Atlantic states, the East South Central, and the West South Central areas. None of these is of major magnitude. Relative changes in farm output have been largest in the Pacific, South Atlantic, and East North Central areas. The remarkable relative increase in farm employment, farm output, and farm population in the Pacific states will be noted later.

TABLE IIA-5

Cash Receipts from Farming and Farm Marketings by Type, United States 1929, 1940, 1951, and 1957

Year	Farm marketings			Cash receipts from farming per farm a/
	Total	Crops	Livestock and products	
	millions of dollars			dollars
1929	11,312	5,130	6,182	1,737
1940	8,382	3,469	4,913	1,434
1951	32,958	13,324	19,634	5,954
1957	29,757	12,381	17,376	6,128
	per cent change			
1929 to 1940	- 25.9	- 32.4	- 20.5	- 17.4
1940 to 1951	+293.2	+284.1	+299.6	+315.2
1951 to 1957	- 9.7	- 7.1	- 11.5	+ 2.9
1929 to 1957	+163.1	+141.3	+181.1	+252.8

a/ Includes government payments.

Sources: U. S. Department of Agriculture, Agricultural Statistics, 1957 (Washington: Govt. Print. Off., 1958), p. 579, and Agricultural Statistics 1958 (Washington: Govt. Print. Off., 1959), p. 472.

TABLE IIA-6

Changes in Farm Output, Production Per Man-Hour, and Labor Requirements
United States, 1935-1939 to 1955

Region	Farm output	Production per man-hour	Labor requirements
	per cent change		
New England	+25	+ 79	-30
Middle Atlantic	+22	+ 68	-32
East North Central	+39	+105	-32
West North Central	+63	+108	-30
South Atlantic	+34	+ 77	-24
East South Central	+37	+101	-32
West South Central	+29	+125	-42
Mountain	+62	+100	-28
Pacific	+57	+ 70	- 7
United States	+40	+100	-30

Source: Journal of Farm Economics, vol. XL, no. 5, December, 1958, "Technical Change and the Problem of Manpower Adjustment," by Walter B. Garver, pp. 1441-1451, Table 3, p. 1447.

TABLE IIA-7

Changes in the Regional Distribution of National Farm Incomes, United States
1927-1929 to 1953-1956

Region	Percentage of national farm income a/		Change in farm employment	Change in farm output	Change in population
	1927-1929	1953-1955	1927-1929 to 1954-1956		
			1927-1929 = 100		
New England	2.54	2.21	69	133	74
Mid-Atlantic	6.73	5.64	71	144	87
East North Central	16.66	17.39	69	175	84
West North Central	22.77	20.86	63	136	67
South Atlantic	12.28	13.67	61	168	76
East South Central	9.60	9.07	59	147	73
West South Central	14.86	12.08	40	127	51
Mountain	6.01	6.44	63	156	72
Pacific	8.53	12.65	104	200	108

a/ National farm income is the total of net farm operator income and farm wages.

Source: Iowa State University, Center for Agricultural Adjustment, Problems and Policies of American Agriculture (Iowa State University Press: Ames, Iowa, 1959), "The Dimensions of the Farm Problem," by D. Gale Johnson, pp. 47-62, Table 4.3, p. 54.

TABLE IIA-8

Index Numbers of Farm Output, Realized Gross Farm Income, Prices Received Productive Expenses, and Total Net Farm Income, Adjusted [a]
United States, 1944-1958

Year	Farm output United States	Realized gross farm income[a]	Prices received by farmers (all commodities)	Productive expenses[a]	Total net farm income[a]
	1947-1949 = 100				
1944	97		108		
1945	96		110		
1946	98		111		
1947	95		106		
1948	101		102		
1949	101	101	93	101	101
1950	100	99	92	104	104
1951	103	102	97	108	109
1952	107	104	95	113	106
1953	108	101	86	108	94
1954	108	97	83	109	90
1955	112	95	79	109	85
1956	113	95	76	109	79
1957	113	93	76	111	78
1958	121	102	77	117	92
1959	124	97	74	120	77

a/ Indices adjusted by dividing by Wholesale Price Index, 1944-1958.

Source: Same as Table IVA-2.

Summary Statement.--Real gross output, if value weighted, has declined more sharply than unweighted gross output as a result of recent price declines. Production expenses bought for cash now represent more than one-third of farm inputs. Accordingly, net income is a smaller percentage of gross income. Furthermore, variations in net income appear to have been accelerated. Changes in production patterns by regions and commodities do not appear to be a major determinant of basic changes in farm output, productivity, and net returns. Regional and commodity changes, as will be shown later, do reflect major differences in technological efficiency. Some of these changes in income, adjusted for price changes, are summarized in Table IIA-8.

Inputs and Productivity

This section is organized in exactly the same way as the similar section dealing with the entire United States economy. Accordingly, there will be description of the total inputs in agricultural production; a breakdown of inputs by various types of capital and labor; indices of over-all factor productivity; similar indices of productivity of various types of capital and labor; and a summary statement.

Over-All Inputs.--Table IIB-1 indicates in some detail the changes in the basic production structure of American farms. Thus, the average value of land as a capital input per farm has risen from $4,400 in 1940 to approximately $11,000 in 1950 and then increased sharply to about $16,000 in 1954 and is presently approaching $20,000. Similar changes have occurred in the value of nonland inputs of capital in farms. In 1940, such capital on the average was only $1,700 per farm. By 1950, it had risen to nearly $5,700. At the moment, nonland capital is approximately $7,500 on the average. Financial capital increased very sharply from 1940 to 1945. Presently, this type of input is valued at approximately $4,200. Thus, in total, the capital inputs used in American farms sum to more than $30,000 on the average.

The average value per farm worker of assets used in agricultural production is shown in Table IIB-2. In 1957, nearly $17,000 per farm worker was invested. Investment in real estate represented $12,251. In machinery, the investment per worker was $1,880. In livestock, the investment was $1,419. Other investments per worker came to $1,330. Using constant 1947-1949 dollars, the total investment of all types per worker increased by 35 per cent in the years 1940 to 1951. From 1951 to 1957, there was a further increase of 35 per cent in such investment. While rough, these are excellent indices of the general magnitude of the increase in capitalization of the American farm and are a further index of the greater

TABLE IIB-1

Resources Used Per Farm, United States
Selected Years, 1940 to 1957

Year	Capital			Labor		
	Physical		Financial			
	Land	Nonland		Family	Hired	Total
	dollars					
1940	4,394	1,700	689	1.4	0.44	1.84
1945	7,642	3,704	2,133	1.4	0.36	1.76
1950	11,278	5,684	2,973	1.4	0.39	1.79
1954	15,961	7,039	3,660	1.4	0.40	1.80
1955	17,040	7,160	3,829	1.4	0.41	1.81
1956	18,245	7,184	3,982	1.3	0.41	1.71
1957	19,551	7,449	4,144	--	--	--

Source: Iowa State University Center for Agricultural Adjustment, Problems and Policies of American Agriculture (Iowa State University Press, Ames: 1959), "Problems in Agricultural Reorganization," by C. B. Baker and H. G. Halcrow, pp. 97-113, Table 7.2, p. 101.

TABLE IIB-2

Average Value Per Farm Worker of Assets Used in Production
United States, 1940, 1951, and 1957

Year	Total assets		Land		Machinery		Livestock		Other	
	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars
	dollars									
1940	3,413	7,347	2,461	5,133	220	362	450	1,138	282	714
1951	11,394	9,393	7,475	6,498	1,138	967	1,723	1,370	1,058	1,058
1957	16,880	13,363	12,251	8,824	1,880	1,330	1,419	1,841	1,330	1,368
	per cent change									
1940 to 1951	+234	+35	+204	+27	+417	+167	+283	+20	+275	+48
1951 to 1957	+ 48	+35	+ 64	+36	+ 65	+ 38	- 18	+34	+ 26	+29
1940 to 1957	+395	+82	+398	+72	+755	+267	+215	+62	+372	+92

Source: U. S. Agricultural Marketing Service, Agricultural Outlook Charts, 1960, November, 1959, p. 57.

relative importance of capital in agricultural production. Increases in land and machinery capital were 36 and 38 per cent, respectively, for that period. All available data indicate rapid and continuing increase in capitalization and apparent continuing substitution of capital inputs for labor services.

In Table IIB-3, changes in the assets used in farm production are also shown on the basis of 1947-1949 constant dollars. Using that base, the increase from 1940 to 1951 in total assets used per worker comes to 18 per cent. Increased land values were slightly less. A massive increase of 127 per cent in machinery was also shown. Over the two decades, investment in machinery per worker increased by 147 per cent on the 1947-1949 base. Thus, all data affirm the view that substantial and increasing substitution of capital inputs for labor have been and are now occurring.

Capital Inputs.--As indicated above, capital inputs in the American farm economy have increased at an annual average rate of about 1 per cent per year over the past six decades, as compared with an average annual rate of almost 3 per cent in the nonfarm economy, despite the rather heavier rate of increase in agriculture in recent years. In relation to labor input, the rate of increase in capital inputs has been higher in the farm economy than in other industries.

Farm capital stocks are generally developed by weighting various types of land acreage, classified by regions and types, by appropriate base values; weighting different types of inventory units by their base period values; and then deflating the values of plant and equipment reported in censuses by appropriate indices. An alternative method is not to deflate book values but rather to cumulate real net capital in order to obtain a perpetual inventory of reproducible capital. On the basis of either of these major devices for estimating capital inputs, the estimate of an average annual increase of approximately 1 per cent in farming as opposed to 3 per cent elsewhere over the last six decades was developed.

Reference has already been made to the immense increase in purchased inputs which constitute a major change in the capital composition of the average American farm. It also represents major technological change in that new types of inputs are substituted for old ones, particularly hand labor and animal energy. Finally, as noted above, this change in capital constituency represents an adjustment in economic efficiency as well as in technological efficiency.

The use of land in farms in the United States is shown in Table IIB-4. There has been in effect no change in land in farms since 1945 and only a minor change since 1940. At present, approximately 1.2 billion acres of land are used

TABLE XIB-3

Assets Used in Farm Production, by Type, United States
1940, 1951 and 1957

Year	Total assets used in farm production		Land assets		Machinery		Livestock		Crops stored	
	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars	Current dollars	1947-1949 dollars
	billions									
1940	38.7	83.3	33.6	64.5	3.1	5.1	5.1	12.8	2.7	6.8
1951	113.1	98.2	86.8	75.5	13.0	11.6	17.1	13.6	7.9	8.5
1957	132.1	104.4	109.5	78.8	17.1	12.6	11.1	14.4	8.3	9.7
	per cent change									
1940 to 1951	+192	+18	+158	+17	+320	+127	+235	+ 6	+193	+25
1951 to 1957	+ 17	+ 6	+ 26	+ 4	+ 32	+ 9	- 35	+ 6	+ 5	+14
1940 to 1959	+241	+25	+226	+22	+452	+147	+118	+13	+207	+43

Source: U. S. Department of Agriculture, Agricultural Research Service, The Balance Sheet of Agriculture, 1959, Agricultural Information Bulletin 214, pp. 30-31, and 33, October, 1959.

TABLE XIB-4

Land Use in Continental United States, 1850-1957

Year	Land in farms	Cropland	Number of farms	Number of farms per thousand acres of land in farms
	million acres		thousands	
1850	294	113		
1860	407	163		
1870	408	189	2,660	6.5
1880	536	188	4,009	7.5
1890	623	248	4,565	7.3
1900	839	319	5,737	6.8
1910	879	347	6,312	7.2
1920	956	402	6,448	6.8
1930	987	413	6,289	6.4
1940	1,061	399	6,097	5.8
1945	1,142	403	5,859	5.1
1950	1,159	409	5,382	4.6
1954	1,158	399	4,782	4.1
1955	1,157	399	4,675	4.0
1956	1,156	395	4,621	4.0
1957	1,155	379	4,513	3.9

Source: Iowa State University, Center for Agricultural Adjustment, Problems and Policies of American Agriculture (Iowa State University Press: Ames, Iowa, 1959), "Problems in Agricultural Reorganization," by C. B. Baker and H. G. Halcrow, pp. 97-113, Table 7.1, p. 99.

in farms. Of this, some 379 million acres are in cropland. This represents a substantial decline from the high point of 413 million acres in 1930. Acreage in cropland in 1950 was 409 million and has since declined steadily.

Number of farms peaked at approximately 6.5 million in 1920. There has been steady decline, and in 1957 the number of farms had declined to 4.5 million. The increase in average size of farm is shown in terms of the number of farms per thousand acres of land in farms. In 1920, there were 6.8 farms on the average for each thousand acres of farm land. There has been a steady decline, and in 1957 the number of farms per thousand acres of farm land had declined to 3.9, reflecting the increase in average size of farms.

Of the approximate 1.9 billion acres of land in the United States, about 60 per cent is in some form of farm land. The remainder is distributed in nonagricultural woodland and in forest and a variety of nonagricultural uses. The peak in cropland, reached in 1930, remained fairly stable until 1950. Between 1940 and 1957, investment in land increased by more than four times for the average farm in the United States.

Comparable increases occurred for all nonland physical assets. Financial assets increased sixfold. Thus, the average farm has increased markedly in terms of both physical and financial capital. Most of the increase in the nonland capital occurred in investment in machinery. This is one of the major determinants of the technological change in American agriculture.

In the past two decades, there has been an accelerated development of new inputs for which the ratios of marginal revenue products to factor prices led to an enhancement of earned net income by substituting for old inputs. The enhancement of income can be associated with a higher physical productivity or, on occasion, with the production of a different product with a higher revenue productivity associated both with physical efficiency and differences in market demands.

Labor Inputs.--Insofar as data can be obtained, the evidence indicates that over the past six decades the input of farm man-hours in American agriculture has declined at an average rate of 0.8 per cent per year compared with an average annual rate of increase of 1.6 per cent in nonfarm man-hours. Difficulties of estimating farm hours worked per week render this comparison somewhat doubtful.

A summary of changes in farm population and labor input is shown in Table IIB-5. Farm population decreased one-third from 1940 to 1957. In 1957, there were slightly more than 20 million people on farms. Estimates of man-hours

TABLE IIB-5

Farm Population, Man-Hours of Farm Labor, Farm Employment and Hours Worked Per Week on Farms, United States 1940, 1951, and 1957

Year	Farm population	Man-hours of farm labor	Farm employment	Hours worked per week
	thousands	million hours	thousands	hours
1940	30,547	20,445	10,979	56
1951	24,160	15,632	9,546	49
1957	20,396	13,553	7,577	46
	per cent change			
1940 to 1951	-20.9	-23.5	-13.1	-12.5
1951 to 1957	-15.6	-13.3	-20.6	- 6.1
1940 to 1957	-33.2	-33.7	-31.0	-17.9

Source: U. S. Department of Agriculture, Agricultural Statistics, various years.

used on farms show a decline of approximately 34 per cent from 1940 to 1957. In 1940, man-hours of farm labor were estimated at 20.4 billion; in 1951, 15.6 billion; and in 1957, 13.6 billion. Essentially the same change in farm employment has occurred. The percentage decrease from 1940 to 1957 was 31 per cent. There were 11 million farm employees in 1940, declining to 7.6 million in 1957. At the same time, there was a substantial decline in the hours worked per week from 56 in 1940 to 49 hours in 1951 and down to 46 hours per week in 1957 for an over-all decline of 18 per cent over the years 1940 to 1957. Thus, with a stable rate of increase in average physical output, associated with a heavy increase in capital input, the average output per unit of labor rises. As indicated, however, this is no measure of the productivity of labor in the sense that it is directly related to earned wage, to capacity to pay a specific wage, or to the determination of distributive shares.

There were 8.3 million family workers in 1940. By 1951, this had declined to 7.3 million with a further decline to 5.7 million in 1957. Inputs of hired workers also declined. There were 2.7 million such employed people in agriculture in 1940, dropping to 2.2 million in 1951 and 1.9 million in 1957 (IIB-6).

For the nation as a whole, there has been an apparent decrease in the average number of days worked per year for wages by hired farm labor. In 1951, the average was 146 days, declining to 125 days in 1957. Thus, the decline in the labor force represents decline in virtually all of its constituents: farm population, farm family labor, hired workers, average hours worked per week, and average number of days worked per year by hired labor.

Table IIB-1 indicated that there has been practically no change in labor used per farm. Evidently, the decline in number of farms was matched by a reduction in the number of persons in the farm labor force, leaving labor per farm virtually unchanged. Thus, on the average, the labor force per farm in 1940 consisted of 1.4 family workers, 0.44 hired laborers, or a total of 1.84 per farm. In 1955, family labor on the average was 1.4 per farm, hired labor 0.41 for a total of 1.81. There appears to have been a small decline in family labor per farm since 1955, with no change in the average input of hired labor.

There are very few farm industries in which the labor requirements or man-hours of labor used by enterprises have increased since 1935-1939. These changes in use of man-hours by different enterprises are shown in Table IIB-7. Man-hours used in hogs, cattle, poultry, and tobacco rose. Yet, for all crops, the input of labor declined some 30 per cent. The decline in labor for all livestock was approximately 17 per cent. The relative declines indicate in some cases--as in horses

TABLE IIB-6

Total Farm Employment and Employment of Hired Labor, United States
1951 and 1957

Year	Farm employment			Hired labor		
	Total persons	Family workers	Hired workers	Average number of days worked on farm for wages	Cash wages, farm and nonfarm	Farm wages only
	thousands			days per year	dollars	
1951	9,546	7,310	2,236	146	879	683
1957	7,577	5,682	1,895	125	892	738
	percentage change					
1951 to 1957	-20.6	-22.3	-15.3	-14.4	+1.5	+8.1

Source: U. S. Department of Agriculture, Agricultural Statistics, 1958, p. 442.

TABLE II?-7

Changes in Labor Requirements on Farms: Man-Hours of Labor Used by Various Farm Enterprises United States, 1935-1939 to 1955

Enterprise	Per cent change 1935-1939 to 1955
Milk cows	-24
Other cattle	+64
Hogs	+27
Sheep and wool	-48
Poultry	+16
All productive livestock	- 5
Horses and mules	-80
All livestock	-17
Corn	-64
Feed grains other than corn	-28
Hay	-39
Wheat	-60
Food grains other than wheat	-53
Vegetables	-20
Fruits and nuts	- 6
Sugar crops	-49
Cotton	-50
Tobacco	+ 8
Oil crops	- 3
All crops	-30
All crops and livestock	-30

Source: Journal of Farm Economics, vol. XL, no. 5, December, 1958, "Technical Change and the Problem of Manpower Adjustment," by Walter B. Garver, pp. 1441-1451; Table 1, p. 1446.

and mules, for example--the replacement of the commodity or animal by other inputs. In corn, feed grains, wheat and other food grains, sugar crops, and cotton, the decline largely reflects the substitution of capital inputs for hand labor.

Over-All Productivity.--As indicated above, total factor productivity in agriculture increased at an average annual rate of 1.3 per cent over the years 1899-1957 compared with a nonfarm rate of 1.8 per cent. However, gross farm yields free of the influence of price variation would have resulted in an average annual rate of increase in farm productivity of 1.7 per cent over the same period. Thus, it is probable that the usual methods of calculation somewhat overstate the differences in average annual rates of increase in total factor productivity as between farm and nonfarm industries. Reference has already been made to the great variations in average annual rates of increase in total factor productivity in agriculture in different periods. Thus, from 1899 to 1919, the nonfarm rate of increase was 1.5 per cent and in 1919 to 1957, it had risen to 2 per cent on the average. In agriculture, the calculated average annual rate of increase in total factor productivity was about 1 per cent in the three decades prior to 1900. It dropped somewhat in the following 20 years. The rates remain fairly stable on the average from 1919 through 1937. Then, there was a dramatic acceleration to a magnitude of 2.7 per cent on the average in the years 1937-1948. From 1948 through 1957, the rate of total factor productivity increase rose to 3.7 per cent in American agriculture. Generally speaking, the apparent greater stability of average annual rates of productivity increase in nonfarm industries is attributable largely to the offsetting effect of different changes in different sectors opposing the nonfarm parts of the economy.

In Table IIB-8, changes in output, inputs, and productivity of United States agriculture are estimated with the 1947-1949 base period. On an over-all productivity basis as described in earlier sections, the 1957 index was 14 per cent higher than in 1947-1949. The 1951 index was essentially the same as that in the base period. Thus, it is very obvious that, by all accepted measures, total factor productivity in American agriculture has increased substantially in recent years.

It has been indicated that to measure increases in output in terms of the input of any factor is in effect to attribute the entire increase in output to that single factor. With an increase of some 14 per cent in total farm output from the 1947-1949 base, associated with a decline in the input of labor, the arithmetic requires an extremely high index of productivity if this method of

TABLE IIB-8

Changes in Agricultural Output, Inputs, and Productivity, United States 1929, 1940, 1951, and 1957

Year	Farm output	Production inputs[a]	Productivity[b]
	index numbers, 1947-1949 = 100		
1929	74	98	76
1940	82	97	85
1951	104	104	100
1957	114	100	114
	percentage change		
1929 to 1940	+10.8	-1.0	+11.8
1940 to 1951	+26.8	+7.2	+17.6
1951 to 1957	+ 9.6	-3.8	+14.0
1929 to 1957	+54.1	+2.0	+50.0

a/ Combined volume of farm labor; land and service buildings; machinery and equipment; fertilizer and lime; purchases of feed, seed, and livestock; and miscellaneous production items, in terms of constant dollars.

b/ Output per unit of production inputs.

Source: U. S. Department of Agriculture, Agricultural Outlook Charts, 1960, November, 1959, p. 50.

calculation be used. Thus, the average output per hour of labor for 1957 increased by 43 per cent over the base period magnitude; the average output per dollar of assets declined by about 1 index point (IIB-9). Frequently, no other measures are available. But it must again be stressed that a productivity measure so calculated does not represent the net value of the contribution of an additional unit of the factor. Accordingly, it does not represent the capacity of the hiring enterprise to pay a wage. It does not represent the earning capacity of the input factor. It is not an index of relative efficiency either in the economic or the technological sense. It could, however, be interpreted as a rough measure of over-all productivity--but for this purpose the change in over-all efficiency could in effect be measured with respect to any one of the inputs. The special circumstances of declining labor input, increasing capital input, and increased output grossly distort estimates of labor productivity if a simple average output per unit of labor is calculated.

Capital Productivity.--Reference back to Table IB-3 will indicate that the rate of increase in output per unit of capital input approximated 3 per cent in the years 1937-1948 but declined very sharply in the years 1948-1957. The ratio of capital to labor in American agriculture was relatively constant over the years 1919-1937. There was a sharp rise in capital input in the two decades beginning in 1938. The ratio of output to capital for the American economy as a whole over the past six decades has averaged about 0.8 per cent, with a rate of about 0.2 per cent in agriculture or one-fourth that which prevails in the rest of the economy. So far as agriculture is concerned, the increase in the ratio of output to total input exceeded the increase in the ratio of output to capital, and therefore with a declining labor input the ratio of output to labor has substantially exceeded the ratio of output to capital in agriculture. These ratios reflect the changes in general productive efficiency and further the technological substitution of capital for labor. They do not in any sense represent the differences in the net marginal revenue productivity of capital and labor in agriculture. Assuming that marginal substitution rates are approximately equal to the relative per-unit factor wages, total factor input divided by labor input gives a rough measure of the marginal rate of substitution between labor and other inputs. As indicated earlier, this measure indicates an average annual substitution of capital for labor in agriculture of about 0.6 per cent against a similar rate of 0.3 per cent for nonagricultural industries.

TABLE IIB-9

Changes in Specified Agricultural Inputs and Output
United States, 1940, 1951, and 1957

Item	1940	1951	1957	Percentage change 1940 to 1951	Percentage change 1951 to 1957	Percentage change 1940 to 1957
	1947-1949 = 100			per cent		
Total farm output	83	103	113	+24.1	+ 9.7	+ 36.1
Output per hour of labor	70	113	143	+61.4	+26.5	+104.3
Output per dollar of assets	91	96	99	+ 5.5	+ 3.1	+ 8.8
Acreage cropland	97	101	95	+ 4.1	- 5.9	- 2.1
Production per acre	88	98	112	+11.4	+14.3	+ 27.3
Gross livestock production	87	112	121	+28.7	+ 8.0	+ 39.1
Production per breeding unit	92	109	119	+18.5	+ 9.2	+ 29.3

Source: Iowa State University Center for Agricultural Adjustment, Problems and Policies of American Agriculture (Ames, Iowa: Iowa State University Press, 1959), "Recent Changes in Resource Use and in Farm Incomes," by Sherman E. Johnson and Kenneth L. Bachman, pp. 9-27; Table 2.1, p. 10.

It may be concluded, therefore, that while no evidence indicates higher marginal productivity of labor or capital in nonagricultural industries the rate of substitution has been considerably faster in agriculture than elsewhere.

Increased output in agriculture has been related to increases in both economic and technological efficiency in agriculture. Nearly half of the increase in output has come from higher crop production per acre. Increased use of commercial fertilizer has made the greatest contribution to higher crop yields in the last 15 years, probably accounting for more than half of the increase in crop production per acre. Use of more and better pesticides, improved seeds, conservation, and other practices have also contributed to higher per-acre production. About one-fourth of the additional output produced since World War II has been attributed to increased output of livestock. Increased output of feeds, pasture, and hay have supported the rapid rise in livestock production. The remaining one-fourth of the increase in total output was associated with continued displacement of horses and mules by tractors and trucks, releasing substantial acreage of cropland and pasture to use for other crops. It should be noticed that the approximate 24-per cent increase in total farm output from 1940 to 1951 was turned out on only 4 per cent more cropland, with 23 per cent fewer hours of work but with an 18 per cent larger investment in land and other capital goods if computed on the basis of constant dollars.

Technological efficiency may lead to changes which are either output increasing or cost saving or both. Both types of changes are designed to enhance net income to the proprietor. Output-increasing technologies often also reduce unit costs. Cost-saving technologies often result in output increases, especially where the savings uncover opportunity for marginal returns in a resource other than the one being economized. Introduction of new techniques may also invite increased output in order to reduce unit costs. An unmeasured part of the technological change represented by capital investment may reflect the desire to reduce the physical burdens of farm labor tasks. Once more, the results of technological improvements in agriculture have generally been oversimplified when they are characterized as attributable to increasing labor productivity. It is doubtful that the intrinsic productive capacity of labor as a factor has changed as much as the average productivity data would indicate. No intrinsic change is necessary in labor or in any other input if the inputs with which it is associated are changed or if the combinations with which the group of factors is combined are also changed.

In the sense of average output per unit of input, the productivity of land as a capital instrument has also increased, just as has labor according to the same measurements. Thus, Table IIB-9 indicates that there has been a 12-per cent rise in average output per unit of land. Increases have been greatest where technological change--especially mechanization--is involved. This observation is clearly applicable to corn, wheat, rye, rice, sorghum for grain, potatoes, cotton, peanuts, and hay. It is no more valid to assign the total change in productivity of any of these crops to labor than to make the same erroneous imputation of the total cause of output change to capital assets like land.

Labor Productivity.--Reference back to Table IB-3 will indicate that there has been a substantial increase in the average annual rate of increase in farm labor productivity over the past 20 years. For 1937-1948, the average annual rate was 3.8 per cent, and in 1948-1957 it was 5.7 per cent. Both of these rates are very much higher than those which prevailed in the nonfarm industries over the same years. The long-run average rate over the years 1889-1957 was 1.8 per cent in agriculture. The parallel long-run rate in nonfarm industries has been 2.1 per cent per year on the average. For 1948-1957, the average rate of increase per year in nonfarm industries in labor productivity was 2.6 per cent per year.

Since 1940, farm output has increased roughly 40 per cent with a decline of 30 per cent in man-hours used. Thus, output per man-hour has increased sharply. Livestock production increased relatively more than output of crops. Output per man-hour has increased in both categories, but the increased average output per labor input in livestock enterprises is only about one-half that prevailing in crops. This reflects a rather larger application of technological and labor-substituting innovations to crops than to livestock. Feed grains, food grains, and oil crops are commodities in which man-hour production has almost tripled since 1940. The average output per man-hour input has almost doubled for hay, forage crops, cotton, and sugar crops. Man-hour average output in animal enterprises rose about one-fifth; in dairy enterprises, more than one-half; and in poultry, nearly two-thirds. These data are summarized in Table IIB-10. The data should be interpreted within the limitations repeatedly pointed out above.

Regional differences in labor outputs are shown in Tables IIA-6 and IIA-7. In Table IIA-6, production per man-hour varies sharply among regions. It will be noted that production per man-hour increased only 70 per cent in the Pacific

TABLE IIB-10

Changes in Production Per Man-Hour by
Specified Agricultural Enterprises
United States, 1939 to 1955

Enterprise	Per cent change
All livestock	+ 54
Meat animals	+ 19
Milk cows	+ 57
Poultry	+ 64
All crops	+105
Feed grains	+200
Hay and forage	+103
Food grains	+180
Vegetables	+ 44
Fruits and nuts	+ 14
Sugar crops	+ 96
Cotton	+113
Tobacco	+ 37
Oil crops	+231
Far output	+100

Source: Journal of Farm Economics, vol. XL, no. 5, December, 1958, "Technical Change and the Problem of Manpower Adjustment," by Walter B. Garver, pp. 1441-1451; Table 2, p. 1446.

states, reflecting a much lower decline in labor requirements with the crops produced there than in the United States as a whole. For the United States, production per man-hour increased an even 100 per cent over the 1935-1939 base, with a 30-per cent decrease in labor requirements. In Table IIA-7, the increase in farm employment in the Pacific area is in sharp contrast with the declines in other regions. Yet, farm output in 1955 was 200 per cent of its base period magnitude of 1927-1929 in the Pacific area, substantially larger than the increases elsewhere. Thus, it does not follow that the substitution of capital for labor necessarily results in a greater increase in output than a recombination of labor and other facilities.

The low increase in output and the data on man-hour production for New England and the Middle Atlantic regions apparently reflect dominance of livestock enterprises in which introduction of new technology is relatively difficult. Underemployment and chronic surplus manpower in the South Atlantic states seem to persist despite the appearance of some increase in industrial employment opportunity in that area. In the West South Central region, rapid industrial development has apparently pulled people from farms, giving the region the largest ratio of reduction in farm labor requirements. Farm output expanded only 27 per cent, but average output per man-hour increased most in that region. In the Mountain states, there has been some expansion in cattle enterprises along with new technologies in some crop production. The Pacific region, as noted, shows a marked increase in farm output but an increase of only 70 per cent in production per man-hour, along with the lowest reduction in labor requirements of any region. Output in this area in many cases has not thus far lent itself to technological change.

Summary Statement

There has been a marked increase in capital inputs in American agriculture. This has been associated with a sharp decline of some 30 per cent over the past two decades in labor inputs. The new technology and greater economic efficiency associated with a new combination of labor and capital has yielded accelerated increases in total factor productivity. Capital inputs have increased quite sharply. Labor productivity, if measured in terms of average output per man-hour, has gone up greatly. Exactly the same spurious indicator of productivity would be obtained if average output per unit of input of any other factor were used. Analysis of realized marginal revenue productivity of labor in agriculture is generally lacking. Accordingly, no more than approximations or informed guesses with respect to its revenue productivity can be offered.

Returns and Distributive Shares

Compensation to inputs can be taken as rough measures of realized marginal revenue productivity. Multiplication of such wages by the number of inputs is a rough index of the distributive share actually realized by the factor. Accordingly, despite the deficiencies in efforts to approximate actual marginal physical productivity and actual marginal revenue productivity functions of agricultural inputs, changes in distributive shares may be taken as an index of the degree to which increases in total factor productivity have been passed on to contributing factors.

Factor Returns.--Reference to Table IIB-6 will indicate that hired workers in agriculture received a total wage per year of $879 in 1951 and $892 in 1957. Deducting income earned off farm, the actually realized farm wage per year was $683 in 1951 and $738 in 1957.

The ratio of net realized farm income to farm proprietor equities--a measure of the rate of return on investment in agriculture--is shown in Table IIC-1. Realized net income of farmers peaked at 17.3 billion dollars in 1947. The decline thereafter was interrupted by the upswing of 1951-52, attributable primarily to the Korean War. In 1957, net farm income was substantially less than that which had been realized in 1943.

A somewhat different temporal sequence has occurred with respect to equities. Farm proprietor equities in 1957 were at approximately 157 billion dollars, the highest level on record. There had been an increase in equities up through 1949, when a level of 120.7 billion dollars was reached. After a short recession, assets rose to 151 billion in 1952. There was a sharp fall in 1953, and it was not until mid-1957 that the 1952 rate of farm proprietor equities was achieved. The most illuminating data in Table IIC-1 are the ratios of income to equity which in a sense are a measure of return to capital. The rate has varied widely over time. There was a sharp increase at the outbreak of the war in Europe when the ratio rose from its level of 10 per cent in 1940 to 13.8 per cent in 1941. It was not until 1947 that a sharp break occurred. By 1948, the ratio of income to equity had dropped from its 1947 level of 16.4 per cent to 13.9 per cent. Thereafter, there has been a continuous decline, especially since 1952. In that year, the rate had fallen to 9.5 per cent. In 1957, the rate of return on investment in agriculture had fallen to 7.0 per cent. Thus, over the years 1940 to 1956-57 realized net income of farm operators had risen by 169 per cent. Farm proprietor equities had risen by 256 per cent. The ratio of income to equity, one index of earnings, had fallen by 25 per cent.

TABLE IIC-1

Rate of Return on Investment in Agriculture, United States and California, 1940-1957

Year	United States			California		
	Realized net income of farm operators	Farm proprietors' equities	Ratio of income to equity	Realized net income of farm operators	Farmers' equities	Ratio of income to equity
	million dollars	billion dollars	per cent	million dollars		per cent
1940	4,289	43.0	10.0	215.4	2,528	8.5
1941	6,153	44.7	13.8	354.8	2,693	13.2
1942	8,825	52.0	17.0	512.2	3,138	16.3
1943	11,875	63.3	18.8	731.0	3,859	18.9
1944	12,217	74.9	16.3	834.1	4,884	17.1
1945	12,850	84.8	15.2	786.0	5,928	13.3
1946	15,223	94.0	16.2	1,056.2	7,063	15.0
1947	17,304	105.4	16.4	844.0	7,755	10.9
1948	16,057	115.9	13.9	712.6	7,838	9.1
1949	13,789	120.7	11.4	696.2	7,759	9.0
1950	13,185	118.3	11.1	765.6	7,611	10.1
1951	15,158	136.5	11.1	948.1	9,123	10.4
1952	14,416	151.0	9.5	906.7	10,337	8.8
1953	13,899	146.8	9.5	891.5	10,546	8.5
1954	12,201	142.6	8.6	757.4	10,466	7.2
1955	11,470	146.9	7.8	864.5	11,099	7.8
1956	12,032	149.4	8.1	913.9	11,648	7.8
1957	11,018	156.9	7.0	859.0[a]	12,851[b]	6.7
	Per cent change					
1940 to 1951	+253.4	+217.4	+11.0	+340.2	+260.9	+22.4
1951 to 1956-57	- 24.0	+ 12.2	-32.4	- 6.5	+ 34.3	-30.8
1940 to 1956-57	+168.7	+256.2	-25.0	+311.5	+384.8	-15.3

a/ Actual data not available. Estimated as 93.99 per cent of 1956 figure, because U. S. Department of Agriculture gives a net realized farm income series for California in recent years, and the 1957 figure in that series was 93.99 per cent of the 1956 one.

b/ Actual data not available. Estimated as 110.41 per cent of 1956 figure on the basis of change in the assessed value of California land and improvements assessed for state and county taxes as shown in Senate of the State of California, California Statistical Abstract, 1958, pp. 186-187. Original data from California Board of Equalization.

Sources: United States--U. S. Agricultural Marketing Service, The Balance Sheet of Agriculture, 1959 (Agricultural Information Bulletin No. 214), Table 24, pp. 30-31 and Table 27, pp. 34-35; California--Davis, Irving F., An Economic Analysis of Saving in Agriculture, with Special Reference to California (Ph.D. thesis, University of California, Berkeley), Table 58, p. 317.

Note: Davis calculated a rate of return to farmers' equity based on a residual income after an allowance for family living expenditures. No such allowance was deducted for the present tabulation; thus, the income series used was a net cash farm income before any return to the proprietor or his family. This is comparable to the United States series. Davis failed to include the value of home consumption in his income estimate, so this was added to his income figures. Source of home consumption estimate--U. S. Agricultural Marketing Service, Farm Income Situation, various issues. Davis' equity figure differs from United States one in that it does not include value of household equipment. His income figure differs from United States one in that it does not include rental value of dwellings. Return on investment in agriculture is not directly comparable with data for industry, since the latter allows for salaries to management and the former does not.

Using the period 1951 to 1956-57, realized net income had fallen 24 per cent; equities had risen 12.2 per cent; but again, the ratio of income to equity had fallen by 32.4 per cent. There is no question that the sharp decline in realized net income has in a large measure been reflected in the return on proprietor equities. Even in the period 1940 to 1951, increase of 253.4 per cent in undeflated net farm income was associated with an increase of 217.4 per cent in farm proprietor equities and only an 11-per cent increase in the ratio of return.

These rates do not represent a clear or net return on investment since the entire income from the farming enterprise is considered a return to capital. Ideally, some deduction should be made to allow for the unpaid labor of farm proprietors and their families. It is apparent then that the rates used, while rather low compared with rates of return on many other types of investments, are actually overstated. The true rates would be somewhat below the figures shown here. Nevertheless, the latter are valuable as indicators of trends over time.

The experience of United States farmers with respect to rates of return on their agricultural investment is essentially applicable to the California farm economy as well. The ratio of income to equity for California farm proprietors has moved closer to the national average since 1940, but it still tends to be slightly lower than the rate of return for all United States farmers. There appears to be no evidence that benefits of increased efficiency--either economic or technological--have been absorbed by farmer owners, whether in California or the nation as a whole.

Some comparison of the equivalent rates is shown in Table IIC-2. First, it is obvious that, in all of the years, net profits before taxes as a percentage of stockholder equity have been substantially larger for food processing companies, wholesalers, retail food chains, and tobacco companies. Again, in general, rates have been higher for retailers and tobacco companies than for wholesalers and food processors. By 1951, the rate of return on farmer equities had dropped to 11.1 per cent. In the same year, the rate for food processors was 17.9 per cent; for wholesalers, 17.8 per cent; for retail food chains, 21.1 per cent; and for tobacco companies, almost 25 per cent. Against an 11 per cent increase in rate of return on farm equities, there had been a 94.6 per cent increase for processors, a 78.8 per cent for retailers, and an increase in the rate of 40.1 per cent in tobacco companies. Except for wholesalers, the rate of return increased for all classes from 1951 to 1957. Against the 1957 rate of return of 7.9 on farm equities, the average for 50 food processing companies was 18.7 per cent; for 5 wholesale food distributors, 15.4 per cent; for 8 retail food chains, 29.8 per cent; and for the

TABLE IIC-2

Net Profits Before Taxes as a Percentage of Stockholders' Equity
Leading Food and Tobacco Companies
1940, 1951, and 1957

Year	Fifty food processing companies	Five wholesale food distributors	Eight retail food chains	Five tobacco companies
	per cent			
1940	9.2	--a/	11.8	17.7
1951	17.9	17.8	21.1	24.8
1957	18.7	15.4	29.8	27.3
	per cent change			
1940 to 1951	+ 94.6	--	+ 78.8	+40.1
1951 to 1957	+ 4.5	-13.5	+ 41.2	+10.1
1940 to 1957	+103.3	--	+152.5	+54.2

a/ Dashes indicate no data available.

Sources:

1940: Data for 1940 were not given in source cited below for 1951 and 1957, but 1935-1939 figures were shown on both before and after taxes basis. In an earlier issue of the Marketing and Transportation Situation, MTS-130, July, 1958, Table 7, p. 16, there is given a similar series, including 1940 as well as 1935-1939, but on an after taxes basis only. The relationship between the 1940 and 1935-1939 data given in that table was applied to the 1935-1939 before taxes estimate given in the later source to obtain the estimate shown for 1940. A check was made, using the relationship between before and after taxes ratios in 1935-1939 and applying this to the after taxes figure given for 1940. The results exactly agreed with the original estimate.

1951 and 1957: U. S. Agricultural Marketing Service, The Marketing and Transportation Situation, MTS-135, October, 1959, Table 7, p. 15.

5 tobacco companies, 27.3 per cent. It could be argued that these are leading firms and that a broader view of each industry would provide a less dramatic contrast. A check was made in this for the food processing companies, using the United States Internal Revenue Service data for all corporations submitting tax returns. While it is true that including a wider segment of the industry results in a slightly lower rate (about 2 or 3 percentage points), nevertheless the trends are the same and the unfavorable position of agriculture is confirmed. Thus, the decline in rate of return to proprietorship centered largely in agriculture. Moreover, it centered particularly in the agricultural producing sectors. There is no evidence that the benefits of farm efficiency have been reflected in enhanced earnings to agricultural capital.

Estimates of returns per hour to all farm labor in the United States are set out in Table IIC-3 for the years 1940, 1951, and 1957. An allowance for capital is arbitrarily set at 4.75 per cent of current value of assets used in agricultural production. This, subtracted from the total realized return to all farm labor and capital yields the net returns to labor and management combined. Application of this arbitrary rate is necessary in order very roughly to approximate a division of proprietor labor and management income. Proprietor labor is then added to hired labor to calculate a rate of return on all agricultural labor. Accordingly, references to capital returns and distributive shares are entirely formal and should not be taken as indicative of actually earned capital income. The sole purpose of this manipulation is to develop estimates for combined returns to hired and management labor, with no meaningful estimates of actual returns to capital. Estimates of total man-hours required for agricultural production are then divided into the net return to labor and management. This yields a realized return per hour to all farm labor and management. In 1940, the average calculated rate of return per hour to all types of farm labor in the United States was 22 cents. By 1951, after allowance to capital at the arbitrary rate of 4.75 per cent, the net return to labor and management was 15.4 billion dollars against 4.5 billion in 1940. Against a man-hour input of 20.5 billion hours in 1940, a much larger output was produced with a manpower input of only 15.2. Thus, there was an increase in the realized return per hour to all farm labor and management from the 1940 level of 22 cents per hour to $1.02 per hour in 1951.

TABLE IIC-3

Estimated Return Per Hour to All Farm Labor
United States, 1940, 1951, and 1957

Year	Total realized return to all farm labor and capital	Allowance for capital at 4-3/4 per cent	Net return to labor and management	Total man-hours required for agricultural production	Realized return per hour to all farm labor and management
	1	2	3	4	5
	million dollars			million hours	dollars
1940	6,340	1,838	4,502	20,467	.220
1951	20,793	5,372	15,421	15,170	1.017
1957	16,081	6,270	9,811	11,379	.862
	per cent change				
1940 to 1951	+228.0	+192.3	+242.5	-25.9	+362.3
1951 to 1957	- 22.7	+ 16.7	- 36.4	-25.0	- 15.2
1940 to 1957	+153.6	+241.1	+117.9	-44.4	+291.8

Sources:

Col. 1: U. S. Agricultural Research Service, The Balance Sheet of Agriculture, 1959 (Agricultural Information Bul. No. 214), Table 27, pp. 34-35.

Col. 2: Allowance for capital is computed at 4-3/4 per cent of current value of assets used in agricultural production, ibid., Table 26, p. 33.

Col. 3: Residual. Col. 1 minus Col. 2.

Col. 4: U. S. Department of Agriculture, Changes in Farm Production and Efficiency, revised, September, 1959 (Statistical Bul. No. 233), Table 13, p. 18.

Col. 5: Ratio of Col. 3 to Col. 4.

To summarize, as a result of these arbitrary assumptions, total realized return between 1940 and 1951 had increased 228 per cent; returns to capital--an arbitrary calculation--had increased 192.3 per cent; net return to labor and management had increased 242.5 per cent; total man-hours required for agricultural production had decreased 26 per cent; and the realized return per hour to all farm labor and management had increased by 362.3 per cent. Again, all evidence indicates an increase in the return to labor substantially higher than that which occurred with respect to capital.

From 1951 to 1957, a somewhat different picture emerged. Total realized return to all farm labor and capital declined to a level of 16.1 billion dollars or 22.7 per cent less than in 1951. At the arbitrary rate of 4.75 per cent on capital, a purely nominal increase of 16.7 per cent was registered for return to capital. Here, as above, this is a manipulation that does not provide an estimate of actual capital earnings but merely provides a basis for estimating management labor under the arbitrary assumption of return to capital. The resultant residual estimate of management labor return is added to returns on hired labor to develop the combined estimate of returns for all farm labor, both hired and proprietary. On these assumptions, net return to labor and management combined therefore declined to a level of 9.8 billion dollars, or a decrease of 36.4 per cent. Again, there was an estimated decline in the total man-hours required for agricultural production from 15.2 billion to 11.4 billion man-hours in 1957. Under these arbitrary assumptions, the realized return per hour to all farm labor and management declined by 15.2 per cent.

Over all, for the period 1940 to 1957, the striking element is a decline of 44.4 per cent in the total man-hours required for agricultural production. With an increase over those 17 years of 154 per cent in total realized return and an arbitrarily estimated increase in capital returns of 241 per cent, net total return to labor and management rose by 118 per cent. The realized return per hour to all farm labor and management rose 292 per cent. Again, these are only extremely crude approximations of marginal revenue products and distributive shares.

There has been a sharp change in the market price of farm real estate. However, it is likely that such transfers do not represent the net income position of agricultural operators. Forty per cent of the real estate transfers made in agriculture in 1958 were for the purpose of enlarging farms. Accordingly, prices for smaller units of land have been bid up.

Distributive Shares.--Labor wages and farm proprietor incomes are shown in Tables IIC-4 and IIC-5 for the United States and geographic regions for the years 1929, 1940, 1951, and 1957. Generally speaking, over the years 1929-1940, there appeared to have been a somewhat larger decrease in proprietor income than in labor wages in farming. Thus, the percentage change for proprietor income was -23.5 per cent against a 19.9 per cent decrease in agricultural labor wages.

There was a substantial difference in the rates of change among regions. Thus, proprietor incomes in New England dropped more than twice as much as labor income; in the Mideast region, the difference was some 8 percentage points, and in the Great Lakes states, only 4; the changes were virtually the same in the Southwest. The Southeast showed the most extreme difference with proprietor incomes dropping drastically by 28.5 per cent while the farm wage bill actually rose 10 per cent. The opposite pattern prevailed in the Rocky Mountain and Far West regions, with proprietor incomes declining much less than labor incomes. In the Rocky Mountain states, payments to farm proprietors actually increased slightly, and the same was true of California. Since proprietor shares generally deteriorate more than wage shares during a recession, these findings may indicate the relative severity of the depression in other areas of the country as compared with the western states.

From 1940 to 1951, the percentage increase in farm labor wages for the nation as a whole was 183.2 per cent. Proprietor income rose 250.7 per cent in the same period, reflecting the usual pattern of wartime and prosperity. Again, there was substantial variation among regions, but not so much as in the earlier decade. Only in the Southeast and Southwest was the picture reversed, with larger increases in payments to labor than to proprietors. But in no instance was there a decrease, all segments of the economy and all regions shared in the boom.

In the most recent period, 1951 to 1957, the agricultural recession has been evidenced by a substantial decline in proprietor incomes in all regions, with relatively minor decreases in payments to farm labor, and, in some regions, small increases. The latter development has occurred in the Far West and, more specifically, in California, although the decline in proprietor income is also less marked in this region than in the nation. Again, these differences probably reflect the differential impact of the agricultural recession on various parts of the country. That is to say, the California farm economy has not been as severely affected as that of the nation, so both farm labor and farm proprietors in this state have fared better in

TABLE IIC-4

Personal Income Received by Farm Labor as Wages, by Regions, United States
1929, 1940, 1951, and 1957

Region	Farm labor wages				Per cent change			
	1929	1940	1951	1957	1929 to 1940	1940 to 1951	1951 to 1957	1929 to 1957
	millions of dollars				per cent			
United States	1,287	1,031	2,920	2,838	-19.9	+183.2	- 2.8	120.5
New England	62	52	130	124	-16.1	+150.0	- 4.6	100.0
Mideast	155	130	320	295	-16.1	+146.2	- 7.8	90.3
Great Lakes	189	151	361	324	-20.1	+139.1	-10.2	71.4
Plains	272	175	372	306	-35.7	+112.6	-17.7	12.5
Southeast	174	192	620	643	+10.3	+222.9	+ 3.7	269.5
Southwest	133	106	407	407	-20.3	+284.0	0	206.0
Rocky Mountain	84	54	162	150	-35.7	+200.0	- 7.4	78.6
Far West	218	170	548	589	-22.0	+222.4	+ 7.5	170.2
California	154	121	416	448	-21.4	+243.8	+ 7.7	190.9

Source: U. S. Office of Business Economics, Personal Income by States Since 1929 (Washington: Govt. Print. Off., 1956), pp. 146-203.

TABLE IIC-5

Personal Income Received by Farmers as Proprietor Income, by Region, United States 1929, 1940, 1951, and 1957

Region	Farm proprietor income				Per cent change			
	1929	1940	1951	1957	1929 to 1940	1940 to 1951	1951 to 1957	1929 to 1957
	millions of dollars				per cent			
United States	5,968	4,568	16,018	11,598	-23.5	+250.7	-27.6	+ 94.3
New England	133	83	255	175	-37.6	+207.2	-31.4	+ 31.6
Mideast	403	307	928	536	-23.8	+202.3	-42.2	+ 33.0
Great Lakes	1,054	799	2,908	2,087	-24.2	+264.0	-28.2	+ 98.0
Plains	1,321	995	3,757	3,104	-24.7	+277.6	-17.4	+135.0
Southeast	1,785	1,277	4,035	2,711	-28.5	+216.0	-32.8	+ 51.9
Southwest	682	537	1,705	1,068	-21.3	+217.5	-37.4	+ 56.6
Rocky Mountains	190	202	819	578	+ 6.3	+305.4	-29.4	+204.2
Far West	402	368	1,611	1,339	- 8.5	+337.8	-16.9	+233.1
California	255	258	1,116	944	+ 1.2	+332.6	-15.4	+270.2

Source: Same as Table IIC-4.

recent years than their national counterparts. It should be noted that the discussion is focused on total shares or payments and that these do not necessarily indicate whether individuals are receiving more or less. The rise in the farm labor wage bill in California has been shared among a larger number of workers (IVB-6), so that the implicit earnings per worker appears to have declined moderately, although not as much as proprietor incomes.

Relative returns to farm workers by regions and over time are shown in Table IIC-6. First, the average farm income per worker has always been higher in the Pacific region than in any other. For the years 1926-1929, average farm income per worker was $1,232 per year. The next highest return over those years was in New England, where the rate was $923. In 1938-1940, the average farm income per worker in the Pacific area was $885, against the next highest rate in New England of $833. By 1949-1951, the average farm income in the Pacific states had risen to $3,451. The next highest average was in the Mountain states, at a level of $3,149. By 1954-1956, the average farm income per worker had risen to $3,805 per year in the Pacific states, against the next highest level of $2,823 in the Mountain states.

The relative changes in each region are set out in Part 2 of Table IIC-6. Thus, the average farm income per worker declined in all regions over the years 1927-1929 to 1938-1940. The rate of decline was in fact sharpest in the Pacific areas, although the level of payment remained substantially the highest in that region. By 1949-1951, average income per farm worker had risen in all of the regions from a minimum of 250 per cent in the mid-Atlantic to a maximum of 454 per cent in the West South Central. In the Pacific area, the rate of increase was 280 per cent, second lowest among the regions, but still associated with substantially the highest rate of return for farm workers among any of the regions. By 1954-1956, significant changes in the percentage rates of increase from the base period of 1927-1929 began to show. Average income per farm worker had declined since 1949-1951 in New England, the Middle Atlantic region, the West North Central, the West South Central, and the Mountain states. All told, over the years 1927-1929 to 1954-1956, the average income per farm worker in the Pacific area rose some 309 per cent. Again, there is no compelling evidence that the benefits of farm efficiency or the enhancement of earned incomes over these years has not been reflected in increases of earnings by farm workers. For the nation as a whole, and more especially for the West and California, the data indicate a reasonable allocation of the benefits of increased efficiency to labor.

TABLE IIC-6

Changes in Average Farm Income Per Farm Worker, by Regions, United States 1927-1929, 1938-1940, 1949-1951, and 1954-1956

Region	1927-1929	1938-1940	1949-1951	1954-1956
	Part I. Average farm income per worker			
	dollars			
New England	923	833	2,638	2,383
Mid-Atlantic	834	693	2,211	2,133
East North Central	821	698	2,580	2,592
West North Central	809	650	2,616	2,407
South Atlantic	450	412	1,545	1,788
East South Central	376	324	1,148	1,240
West South Central	514	478	2,333	2,064
Mountain	821	672	3,149	2,823
Pacific	1,232	885	3,451	3,805
	Part II. Index of average farm income per worker			
New England	100	90	286	258
Mid-Atlantic	100	78	250	241
East North Central	100	85	314	316
West North Central	100	80	323	298
South Atlantic	100	92	343	397
East South Central	100	86	305	330
West South Central	100	93	454	402
Mountain	100	82	384	344
Pacific	100	72	280	309

Source: Iowa State University, Center for Agricultural Adjustment, Problems and Policies of American Agriculture (Iowa State University Press: Ames, 1959), "The Dimensions of the Farm Problem," by D. Gale Johnson, pp. 47-62; Table 4.2. p. 52.

The per-farm distribution of realized gross and net income over the years 1949-1958 are shown in Table IIC-7. Generally speaking, net income per farm has declined in virtually all regions from 1951 to 1957. However, the decline in such averages has been relatively greater in the West than in some other areas since the peak of 1951-52. Table IIC-7 indicates quite clearly that the average level of net income per farm is very much higher in the western regions than elsewhere. Thus, the average has ranged for the western region from a low of $4,114 per year in 1949 to a high of $5,175 in 1951. Gross income per farm in the western region has grown steadily from a low of $10,671 in 1949 to a high of $15,447 in 1958. For the next highest average, gross income per farm in 1958 was $10,774 in the West North Central. The South Central average was only $5,041, or about one-third of the gross in the western region.

California gross incomes have been far higher than those reported for any other regions. Beginning at $15,376 per farm per year in 1949, the average gross had risen to $22,206 in 1956 and in 1958 stood at $22,667. By 1951, the average net income per farm in California had risen to $7,512. The peak was in 1956, with an average of $7,931. In 1958, reported average income per farm in California was $7,128, with preliminary indications that 1959 gross incomes will be somewhat higher. Thus, it is obvious that the western farms are more commercial in the sense that they operate on a larger scale and with relatively more capital. They realize a larger net income. This is especially true of California. They also reflect a higher average income per farm worker than do farms in any other region. Finally, they seem to be paying a somewhat larger percentage of the increase in income to labor than appears to be true in the other regions.

The distribution of the net income from agriculture among participating factors is reflected in the data shown in Table IIC-8. Taking the 1940 total net income of 6.3 billion dollars, by 1951 there had been an increase of 228 per cent to a level of 20.8 billion dollars. Then, from 1952 through 1957, inclusive, there was a decline of about 23 per cent in net income. Against this, for the period 1940 to 1951, wages to hired labor, including cash and perquisites, rose by about 172.1 per cent or from 1 billion to approximately 2.8 billion. Then, during that period, the increase in wages to hired labor, including cash and perquisites, did not reflect in a percentage sense the entire increase in total net income--nor should it necessarily in terms of productivity. During those years of sharp decline, the total wage bill to hired labor dropped only .5 per cent. Thus, it appears and is in fact demonstrated in Table IIC-8,

TABLE IIC-7

Realized[a/] Gross and Net Income Per Farm, by Regions
United States, 1947-1958

Region	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
	dollars									
North Atlantic										
Gross	6,370	6,353	7,599	7,995	7,844	7,582	7,997	8,559	9,068	9,598
Net	2,080	1,880	2,405	2,416	2,325	1,904	2,096	2,171	2,365	2,474
East North Central										
Gross	6,294	6,351	7,499	7,725	7,564	7,409	7,224	7,875	8,283	8,712
Net	2,618	2,453	2,990	2,965	2,891	2,606	2,249	2,545	2,761	2,836
West North Central										
Gross	7,726	7,987	9,019	8,905	8,691	8,531	8,280	8,511	8,822	10,774
Net	3,351	3,107	3,425	3,191	3,405	2,959	2,704	2,790	2,546	3,728
South Atlantic										
Gross	3,415	3,708	4,416	4,436	4,447	4,354	4,628	4,871	4,749	5,291
Net	1,636	1,799	2,171	2,014	2,007	1,787	1,962	1,983	1,736	2,070
South Central										
Gross	3,591	3,598	4,149	4,250	4,036	3,989	4,024	4,255	4,106	5,041
Net	1,833	1,726	1,940	1,925	1,770	1,678	1,592	1,706	1,406	1,991
Western										
Gross	10,671	11,536	13,940	13,858	13,229	12,808	13,017	14,140	14,228	15,447
Net	4,114	4,264	5,175	5,119	4,934	4,387	4,303	4,905	4,644	4,772

a/ Excludes changes in inventories.

Source: U. S. Agricultural Marketing Service, The Farm Income Situation, September, 1959.

TABLE IIC-8

Distribution of Net Income From Agriculture
United States, 1940, 1951, and 1957

	1940	1951	1957	Per cent change 1940 to 1951	Per cent change 1951 to 1957	Per cent change 1940 to 1957
	million dollars			per cent		
Total net income	6,340	20,793	16,081	+228.0	+ 22.7	+153.6
Wages to hired labor (cash and perquisites)	1,029	2,800	2,785	+172.1	- 0.5	+170.7
Net rent and government payments to landlords not living on farms	448	1,368	1,029	+205.4	- 24.8	+129.7
Interest on farm-mortgage debt	293	291	487	- 0.7	+ 67.4	+ 66.2
Net income of farm operators	4,570	16,334	11,780	+257.4	- 27.9	+157.8
	per cent distribution					
Total net income	100.0	100.0	100.0	0	0	0
Wages to hired labor (cash and perquisites)	16.2	13.5	17.3	- 16.7	+ 28.1	+ 6.8
Net rent--landlords not living on farms	7.1	6.6	6.4	- 7.0	- 3.0	- 9.9
Interest on farm-mortgage debt	4.6	1.4	3.0	- 69.6	+114.3	- 34.8
Net income of farm operators	72.1	78.5	73.3	+ 8.9	- 6.6	+ 1.7

Source: U. S. Agricultural Research Service, The Balance Sheet of Agriculture, 1959 (Agriculture Information Bul. No. 214), Table 27, pp. 34-35.

that over the declining years of 1951 to 1957 the impact of the decrease in net income did not show itself in the wage bill to hired labor but rather in the net income for farm operators, which dropped 28 per cent against a decrease in total net income of 23 per cent.

Taking the period as a whole, total net income rose 154 per cent. The total payment on wages to hired labor, including perquisites, rose essentially more--by 171 per cent.

It is noted that almost 1.4 billion dollars in 1951 and more than 1 billion dollars in 1957 was paid as net rent and government payments to landlords not living on farms. However, net total income to farm operators has shown a very stable relationship to the wage bill. Over the years 1940 to 1951, net total income of farm operators increased 257 per cent against a 172-per cent increase for farm labor. However, in the period 1951 to 1957, when net total income of farm operators declined by 28 per cent, the total wage bill to labor declined only .5 per cent. Taking the total period 1940 to 1957, there was an increase in the agricultural wage bill of about 172 per cent against an increase to net income of farmers of about 158 per cent. Thus, over the long pull, there appears to have been a larger percentage increase in the distributive share to labor than that accruing to farm operators.

There has been a remarkably stable percentage distribution of net income in agriculture. Thus, wages to hired labor were, respectively in 1940, 1951 and 1957, 16.2 per cent, 13.5 per cent, and 17.3 per cent of the total net income of farms. The net income of farm operators was 72.1 per cent, 78.5 per cent, and 73.3 per cent in those same years. Thus, again, there appears to be a remarkable stability in the distribution and no evidence of any disproportionate relative increases to any of the factors over the past two decades.

The California Economy

In order to provide a basis for comparison, the general economy of the United States was described with respect to changes in total real output, input, and productivity and distributive shares. The same materials were developed with respect to the total United States agricultural economy. A brief survey of the California general economy--understanding that any separation by regions is largely formal--will give a basis for comparison of more detailed specification of the major structural attributes of the California agricultural economy. Many attributes of both these California sectors were described and analyzed above.

Real Output

Reference to Table IC-2 shows a substantial growth in the magnitude of the California general economy. In current dollars, personal incomes in California rose from almost 6 billion dollars in 1940 to 35 billion dollars in 1957. The proportion of personal income in California to the national total also rose sharply from the 1940 level of 7.4 per cent to a 1957 level of 10.2 per cent (IA-8). It might be noted that retail sales in California have climbed at a somewhat slower but remarkably stable rate to a 1957 magnitude of almost 18 billion dollars, against a 1940 magnitude of less than 4 billion dollars.

Various aspects of per-capita real output in California are shown in Tables IA-4, IA-5, and IA-6. The per-capita income in current dollars in California rose from $995 on the average in 1929 to $2,523 in 1957. The per-capita average of $2,523 in California compared with a $2,407 average for the Far West and the next highest average per-capita income of $2,394 in the Mideast. Thus, California has long been among the highest per-capita real output states in the Union; and despite its immense growth has maintained that position over the years.

Reduced to constant dollars, as shown in Table IA-5, essentially the same conclusions may be drawn. Over the years 1929-1940, average per-capita real income declined by about 1 per cent for the nation as a whole. California's per-capita position was about the same as that of the nation. From 1940 to 1951, average per-capita income in the United States increased by 41 per cent. The increase in California was 24 per cent, starting from a larger base and ending with a higher figure. From the years 1951 to 1957, per-capita income

for the general economy of the United States increased 9 per cent, and by the same per cent in California. Over the years 1929-1957 as a whole, there was a 52 per cent increase in average per-capita income for the nation. The average per-capita income in California rose only 34 per cent but started from a higher base and ended with a substantially higher level than that prevailing elsewhere.

It may, therefore, be concluded that while the California economy is the highest per-capita income component of the highest per-capita income region, the rate of change in per-capita income in California and the West has been essentially similar to that prevailing in the nation as a whole. Once more, all data seem to indicate that interregional differentials are diminishing in magnitude. This implies at least two sets of adjustments. Economic and technological efficiency must be increasing in all of the regions. Second, there must be substantial mobility of productive factors, particularly labor. The population growth of the state is one excellent index thereof.

In 1929, California had 4.5 per cent of the total United States population against 8.2 per cent in 1957. The California per cent of national personal income rose from 6.42 per cent in 1929 to 10.17 per cent in 1957. Thus, in all of the years between 1929-1957, California's command of total personal income in the United States has been at a higher percentage than that represented by California population as a fraction of total United States population. Despite this fact, the degree to which per-capita income in California deviates from the national average has been declining sharply. Thus, in 1929, the average per-capita income in the state of California was 42 per cent higher than the national average. In 1940, the average per cent of per-capita personal income in California was 41 per cent greater than the United States average. By 1951, the deviation had diminished to 24 per cent and remained at the same level in 1957.

Essentially the same occurred with other high per-capita income areas. Thus, in New England, deviation diminished from a level of 27 per cent over the average in 1940 to 11 per cent in 1951. In the Mideast, the high of 138 per cent in 1929 had diminished to 118 per cent in 1957. A similar pattern existed in all of the other regions in which deviations over the national average had occurred. In those in which per-capita earnings had been relatively low, the reverse occurred in all cases. Thus, in the Plains states, average per-capita income was only 81 per cent of the national average in 1929 but rose to 90 per cent in 1957. The same figures for the Southeast were 52 per cent in 1929 and 70 per cent in 1957. For the Southwest, the figures were 67 per cent and 86 per cent. And, for the Rocky Mountain states, the figures were 85 per cent and 92 per cent.

Thus, the equalization of average per-capita income seems to be proceeding apace in all of the regions of the United States.

Inputs and Productivity

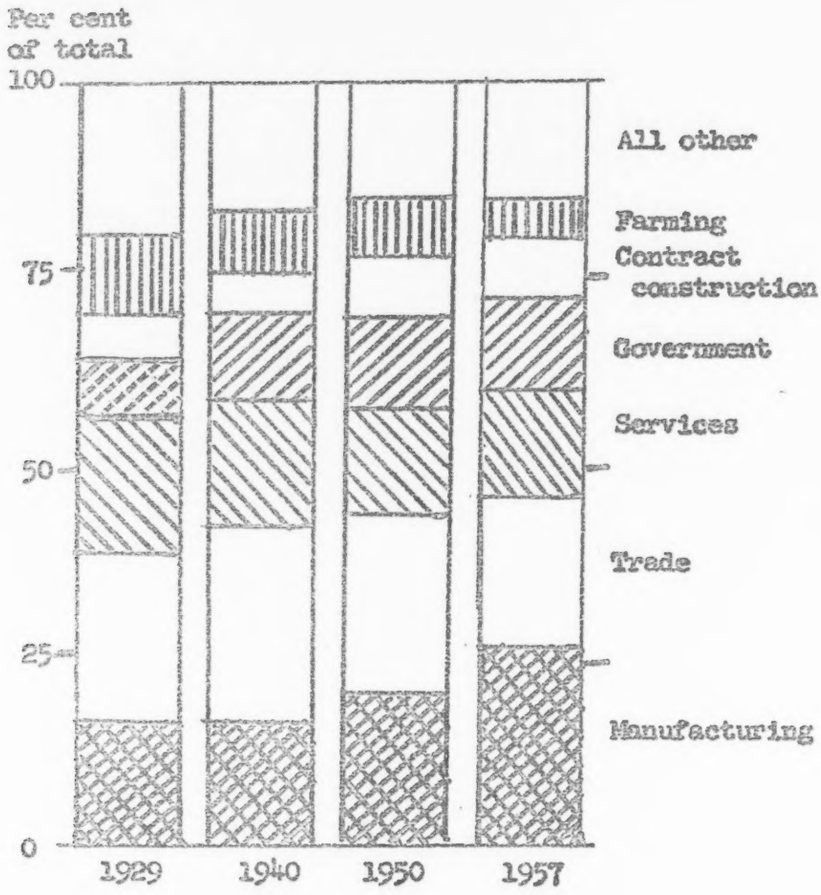
The sharp relative increase in the percentage of the total United States population residing in California is shown in Table IA-7. California in 1957 represented 8.2 per cent of the total American population. In June, 1957, the number of gainfully employed in California was estimated at 5.6 million. This was a gain of 149 per cent in labor inputs since June, 1940. The major employment expansion was in manufacturing, with 825 thousand more workers in 1957 than in 1940. There were also sharp increases in other categories. More than 1,200,000 employees were in the wholesale and retail trade segments. The service industries had labor inputs of well over 800,000. Government--federal and local--had more than 700,000 employees. In these categories, along with construction, major increases in inputs had occurred.

The California share of the United States employment in the general economy was relatively high in a variety of categories. Outstanding was the aircraft and electronics industry, which accounted for more than 23 per cent of total United States employment in these two industries. Employment inputs were relatively high in contract construction, transportation and utilities, wholesale and retail trade, finance, service, and government.

New construction can be taken as one rough index of capital input. In 1956, something over 3.1 billion dollars was so invested in California. Slightly less was invested in 1957. In both these years, construction in California was about twice as much as in the next highest state, New York. Residential construction, reflecting population influx, has accounted for well over one-half of construction investment in California since 1954. In 1957, residential investment in California represented almost 1.7 billion dollars out of a total of about 3.0 billion.

Indices of investment and indirectly of productivity can be developed by reference to value added in various manufacturing industries. Great growth has occurred in several industries. Thus, value added in the manufacturing of transportation equipment had exceeded 2.1 billion in 1954, against less than 600 million in 1947. In food and kindred products, value added was in excess of 1.2 billion dollars in 1954 against approximately 800 million dollars in 1947. Growth, investment, and productivity were high in machinery, fabricated metal products, chemicals and products, printing and publishing, electrical machinery, lumber and wood products, and a variety of other industry groupings.

Figure IIIA1: Sources of California's Civilian Income from Current Production



Source of data: California Statistical Abstract. Published by the Senate of the State of California. Sept. 1958. p. 6. (U.S. Dept. of Commerce. Personal Income by States and Survey of Current Business, August, 1958)

Ranking first in food and kindred products, California represented 10.5 per cent of the value added by these industries in the United States as a whole. Ranking second in transportation equipment, California produced 14 per cent of the value added in the United States. Approximately the same relationships prevailed with respect to lumber and wood products, and petroleum and coal products. The rapid growth and diversification of the California general economy is clear.

Personal income in 1957 was approximately 35 billion dollars. Only one other state, New York, was at a higher level with 40.9 billion dollars. The next largest state was Illinois, with 23.6. The same relationship prevailed with respect to civilian industrial income, with New York leading at 32.8 billion dollars and California second with 27.9 billion dollars, and Illinois third with 19.8 billion dollars. Retail sales amounted to 15.6 billion dollars, value added by manufacturing to 9.6 billion dollars, and farm cash receipts were 2.8 billion dollars.

With respect to inputs and productivity, two major generalizations appear to be applicable to the general economy of California. First, the growth has been at a rate substantially higher than that in other areas. Second, the California general economy has become increasingly diversified. Productivity rates appear to be at least as high as those in other similar areas, and perhaps higher.

Distributive Shares

For the general economy of California, virtually the same percentage distribution patterns of income seem to prevail in California and in the nation as a whole. In 1957, 70.8 per cent of the personal income of the United States accrued to labor. In California, the percentage was 70.0 per cent. In 1951, the national percentage was 68.5, and in California 67.1. In 1940, the national percentage for personal income accruing to hired and other labor was 64.1 per cent against 60.6 per cent in California. For 1929, the national percentage was 59.4 per cent against 55.4 in California. Thus, the same pattern of growth and distribution of personal income to hired and other labor appears to prevail both in the United States and in California, despite the deviation of general-economy growth rates in California as compared to the nation as a whole.

With respect to proprietor income, reference to Table IC-2 will indicate that essentially the same patterns have prevailed both nationally and within California. Thus, in the nation as a whole, the percentage of total personal

income accruing to proprietors in 1929 was 17.2 per cent. This declined in 1957 to 12.4 per cent. In California, almost exactly the same relationships prevailed. The 1929 percentage of California income accruing to proprietors was 17.1 per cent. By 1957, this percentage had declined to 12.7 per cent.

Property income as a share of total United States personal income declined over the years 1929 to 1951 from 21.8 per cent to 11.8 per cent, rising to 12.4 per cent for the nation as a whole in 1957. The relative decline in property income in California is somewhat more marked, decreasing from 26.1 per cent in 1929 to 12.8 per cent in 1951 and rising to 13.3 in 1957.

Total personal income in California rose most sharply from 1940 to 1951. By 1957, total personal income was estimated at a level of 35.1 billion dollars against 5.5 billion dollars in 1929.

With respect to the general economy, all data seem to indicate an increasing percentage of total personal income going to hired and other labor, offset by declines in proprietor income and property income alike. There is also evidence of an equalization of such distribution among the regions of the nation. Generally, the Far West and California have changed in close conformity to the basic changes occurring in the nation as a whole. Accordingly, the conclusions applicable to the general economy appear to be equally applicable with respect to California. The amazing growth of the California economy, as evidenced particularly by population expansion, is shown in Table IIC-1, with the corresponding United States data.

TABLE IIIC-1

Growth in Population and Income, United States and California
1929 to 1957

A. 1957 as a relative of 1929; 1929 = 100

	Population	Real Income Per Capita	Total Income
U.S.	141	152	214
Calif.	256	134	343

B. Average Annual Growth Rates, 1929 to 1957

	Population	Real Income Per Capita	Total Income
U.S.			
Arithmetic	1.45[a]	1.85	4.10
Compound	1.20[b]	1.60	2.80
Calif.			
Arithmetic	5.50	1.21	8.70
Compound	3.40	1.05	4.50

[a] 1.45% per year x 28 years = total growth of 41%

[b] $(1.0120)^{28} = 1.41$

Source: U.S. Office of Business Economics,
U.S. Income and Output, 1958

The California Agricultural Economy

Three major questions have been at issue in this analysis with respect to each of four major elements of the American economy—the total United States economy, the total United States agricultural economy, the California general economy, and the California agricultural economy. For each of these elements, three major questions have been posed.

1. What have been the patterns of change in aggregate real output?
2. What have been the changes in the amounts and nature of inputs and what have been their productivity performances?
3. What have been the changes in factor wages and in distributive shares to the productive resources contributing to the increase in real output?

Generally, several valid conclusions seem to emerge. First, it appears that there has been an immense increase in real output in virtually all of the major industries and areas. There seems also to be an equalization of factor wages, incomes, and productivity among industries and regions. Generally, in all of the industries, and especially in agriculture, the relative quantitative importance of labor has declined in view of the fact that the proportionate inputs of capital have gone up far faster than the total labor force.

In agriculture, the single difference involves an absolute as well as a relative decline in labor inputs, but the structure of change is of the same order as that in the other industries. Perhaps most important, there appears to be an accelerating pattern of increasing claim over the output of the economy by hired labor, paralleled by declines in ownership and proprietorship income—with some apparent deviation in the past few years. It is likely that the official data somewhat overstate the increasing share of national output going to the labor input in view of the declining relative number of proprietors. However, it is equally likely that the overstatement is minor compared to the magnitude of the increase in the share accruing to the labor component in the production process.

There appear to be few if any really fundamental differences in the basic pattern as between the American agricultural economy and the United States general economy. There has been a somewhat sharper decline in proprietorship incomes in agriculture reflecting the price-cost squeeze which is itself due in a measure to the rapid substitution of labor for capital, the factor prices of which in agriculture are determined by productivities of those inputs in

other industries. In a sense, essentially the same set of observations appears to be applicable to California agriculture insofar as available data bear directly upon the questions at issue.

Real Output

California has led all of the states in agricultural production since 1948. With about 2 per cent of the nation's cropland and some 6 per cent of its farmers, California earned about 9 per cent of the total United States farm income in 1957. With cash farm income in 1957 in the neighborhood of 2.8 billion dollars, California ranked about .5 billion dollars over the next state--Iowa--and about 800 million dollars higher than Texas and Illinois, which ranked third and fourth. The next group of large agricultural states had 1950 cash farm incomes in the neighborhood of 1 billion dollars or a little more. Real output of the California agricultural economy has increased proportionately at a faster rate in the livestock and livestock products categories than in crops, although crops are still the major part of the real output of the California agricultural economy. Government payments have been minute parts of the total real output of California agriculture over the past 20 years.

Major structural changes in the composition of real output have occurred. In 1957, dairy products were the major commodity in California, with an annual cash farm value of more than 360 million dollars. Cattle and calves ranked second, with nearly 350 million dollars of annual cash farm receipts. Cotton exceeded 300 million dollars. Cash receipts from hay, eggs, grapes, oranges, and tomatoes were close to or above 100 million dollars each. In 1957, cash farm receipts exceeded 50 million dollars for lettuce, barley, nursery products, turkeys, and peaches. Sugar beets, potatoes, rice, chickens, celery, lemons, strawberries, cantaloupes, prunes, beans, walnuts, sheep and lambs, carrots, and pears ranged between 25 and 50 million dollars. Then, some 20 other products represented substantial annual cash farm receipts. With 2.8 billion dollars in farm cash receipts, personal income from farms was in the neighborhood of 1 billion dollars.

The California agricultural economy differs from that of many other states in that over the approximate century its development has always been flexible, diversified, and highly commercial. Generally speaking, California has not been afflicted in recent decades by the chronic overproduction affecting other agricultural areas. There has been relatively little resource immobility here. California agricultural industries have been much less dependent upon federal price support programs than have other areas.

Real Growth and Net Output.--A summary statement of the basic dimensions of agricultural output in California is presented in Table IVA-1. By 1949, cash receipts from farm marketings exceeded 2 billion dollars per year. There was a substantial pattern of growth reaching 2.8 billion dollars by 1951, and the level has remained in that neighborhood through 1958. Government payments, as indicated above, have been a relatively small part of the total real output of California agriculture, peaking at 31.6 billion dollars in 1957. Value of home consumption appears to be declining over the long run as California becomes more urganized and farms become more commercial in nature. In recent years, this component of the real output of California agriculture has varied from 24 to 25 million dollars. Gross rental value of farm dwellings reached a peak of 113 million dollars per year in 1953, dropped as low as 84 million in 1957, and in 1958 was estimated at 92 million dollars. Thus, taking these several components of real gross output, the value weighted aggregate of output in California has been approximately 3 billion dollars per year since 1951.

California is a heavily capitalized state. There is also a relatively high component of hired agricultural labor. Accordingly, production expenses now exceed 2 billion dollars. Thus, approximately two-thirds of the growth of realized output of California agricultual production represents production expenses and therefore, in a large measure, reflects dependence upon inputs purchased from other sectors of the economy. In this sense, the real output component of the agricultural industry of California shows the same trends as those evident in other commercial areas of American agriculture, but they apparently emerged earlier in California and have developed at an accelerated rate.

Realized net farm income has approximated 1 billion dollars per year since 1951. This, as in other sections, is determined by subtracting certain farm production expenses from total realized gross output. In the eight years 1951-1958, realized net farm income has exceeded 1 billion dollars in five years. Net value of farm inventories in California agriculture has changed sharply over the past dozen years. The greatest negative change since 1949 was in 1953 when inventory values diminished by approximately 48 million dollars. The highest positive change was in 1952 when inventories appreciated by 89 million dollars. Adjustment of realized net farm income for changes in inventory values in general raises the total net farm income in California, but the level of 1 billion dollars seems to have prevailed over the past decade.

TABLE IV A1, Realized Gross and Net Income of Farm Operators from Farming. California: 1949 - 1958 1/

	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
	In Millions of Dollars									
Realized Gross Farm Income:										
Cash Receipts from Farm Marketing	2,090.9	2,297.4	2,772.5	2,730.8	2,639.5	2,519.1	2,650.3	2,823.6	2,722.4	2,829.5
Government Payments	9.2	13.6	13.5	11.2	10.0	14.8	12.0	17.4	31.6	23.3
Value of Home Consumption	33.2	29.6	33.7	31.1	29.0	25.3	23.7	23.6	23.5	24.4
Gross Rental Value of Farm Dwelling	80.8	85.7	92.5	107.7	113.0	107.6	110.8	88.8	84.1	92.1
Total	2,214.1	2,426.3	2,912.2	2,880.8	2,791.6	2,666.8	2,796.7	2,953.4	2,861.7	2,969.3
Farm Production Expenses	1,414.6	1,550.9	1,845.4	1,830.1	1,751.0	1,765.1	1,784.9	1,898.6	1,870.1	2,035.5
Realized Net Farm Income	799.5	875.4	1,066.7	1,050.7	1,040.6	901.7	1,011.8	1,054.9	991.5	933.8
Net Changes in Farm Inventories	- 43.2	26.0	76.4	89.0	- 47.6	48.9	- 8.1	14.6	- 27.4	55.0
Total Net Farm Income	756.3	901.5	1,143.1	1,139.7	993.0	950.6	1,003.7	1,069.5	964.1	988.8

1/ Items may not add to totals because of rounding.

Source: U. S. Agricultural Marketing Service, The Farm Income Situation, September, 1959

Relative changes in gross and net farm income, with a 1947-1949 base, are shown in Table IVA-2. Output in the Pacific area rose steadily and in 1958 was 129 per cent of the base period level. California gross farm income was 35 per cent higher in 1958, dropping to an estimated 132 per cent of the base period level in 1959. Prices never exceeded 112 per cent of the base and have hovered around 100 per cent except for 1951-52. Most important, production expenses--a rough index of capital inputs--rose by 44 per cent. Finally, net California farm incomes peaked at 155 per cent of the base in 1951, dropped to 124 per cent in 1954, rose to 142 per cent in 1956, but broke again to 128 per cent in 1957.

The value figures in Table IVA-2 are adjusted in Table IVA-3 by dividing by the Wholesale Price Index. So deflated, California farm real gross output increased over 1949 levels by 16 per cent in 1952, fell to 110 per cent in 1954, rose to 118 per cent in 1956, and fell again to 110 per cent in 1957. Deflated prices fell from 135 per cent of the base in 1944 to a range of about 90 per cent from 1949 to 1956 and broke sharply to 83 per cent in 1957. The undeflated data do not show these severe decreases. Conversely, production expenses deflated by wholesale prices rose 21 per cent from 1949 to 1957, while deflated prices fell 12 per cent. Accordingly, deflated total net farm income fell from an index level of 135 in 1951 to 110 in 1958--or an index-point drop of 25 per cent in seven years. In real terms, California net farm income has been unstable and declining.

Production expenses for United States farming also rose by 44 per cent, while net farm income fell, except for 1958, to a little more than 90 per cent of the base period magnitude.

In this sense, California seems to have been somewhat more free from a downward drift in realized net income than have other agricultural areas in the United States. In 1951, both California and the national farm economies had peaks in gross and net incomes. Then in 1954, both had sharp dips. In 1956, there was an increase in California income without a parallel rise of the same type in national farm income. The United States upturn in 1958 was more pronounced than for California, in which there was a decline. Production expenses have gone up almost identically and quite continuously in both the national and farm economies. The one major difference is a downtrend for net national farm income over 1951-1957, with an almost stable level in California undeflated income.

In Table IVA-4, farm incomes for California nd the United States are adjusted by dividing both series by the Consumer Price Index, all commodities.

Table IV A2: Changes in Farm Output in the Pacific Region and in Realized Gross Farm Income, Prices Received, Production Expenses, and Net Farm Income for California, 1944-1958

Index numbers

Year	Farm output, Pacific Area	Realized gross farm income	Prices rec'd. by farmers for all commodities	Production expenses	Total net farm income
	1947-49=100	1949=100	1947-49=100	1949=100	1949=100
1944	93		91		
1945	93		92		
1946	101		101		
1947	98		101		
1948	100		106		
1949	102	100	93	100	100
1950	105	108	102	110	112
1951	111	130	112	130	155
1952	116	130	110	129	149
1953	118	126	100	124	130
1954	120	121	95	125	124
1955	120	126	101	126	132
1956	125	134	103	134	142
1957	127	130	98	132	128
1958	129	135	101	144	131

Source: U.S.D.A. Agricultural Statistics, various years, and U.S. A.M.S., The Farm Income Situation, Sept. 1959.

Table IV A3: Changes in Farm Output in the Pacific Region and in Realized Gross Farm Income, Prices Received, Production Expenses, and Net Farm Income for California, Adjusted a/ 1944-1958

Index numbers (1947-49=100)

Year	Farm output, Pacific Area	Realized gross b/ farm income	Prices received by farmers	Production expenses b/	Total net b/ farm income
1944	93		135		
1945	93		134		
1946	101		128		
1947	98		105		
1948	100		102		
1949	102	101	94	101	101
1950	105	104	99	107	109
1951	111	114	98	113	135
1952	116	116	99	116	134
1953	118	115	91	113	117
1954	120	110	86	113	113
1955	120	114	91	114	119
1956	125	118	90	117	125
1957	127	110	83	112	109
1958	129	113	85	121	110

a/ Indices adjusted by dividing by Wholesale Price Index 1944-58 (Source: U.S. Bur. of Labor Statistics).

b/ 1949=100 used as base.

Source: Table IV A2, adjusted as indicated above.

Table IV A4: Adjusted [a/] Net Farm Income, United States and California 1949-1958

Year	Adjusted Net Farm Income	
	United States	California
	(millions of dollars)	
1949	12515.6	741.06
1950	13316.5	825.39
1951	14514.4	1051.44
1952	13321.6	991.10
1953	11593.5	852.79
1954	11048.8	817.60
1955	10351.1	869.08
1956	9982.8	924.35
1957	9800.3	802.08
1958	11496.4	800.65

a/ Income adjusted by dividing by Consumer Price Index, all commodities, 1949-58. (Source: U.S. Bureau of Labor Statistics)

Source: USDAMS The Farm Income Situation, Sept., 1959. Data adjusted as indicated above.

With this deflation, United States net farm income fell sharply and continuously from 1951 to 1957, with a sharp rise in 1958. California income broke sharply over 1951-1954, rose almost to the 1952 level in 1956, then broke sharply to 1958, failing to obtain the rise gotten nationally by farmers in 1958. In summary, California has been relatively free of the long 1951-1957 national downtrend afflicting United States farm income, but yearly variations in real net income have been relatively more violent in California.

Commodities.--The commodity constituency of agricultural output in California has changed sharply in recent years. As a summary statement, it is true that without a decrease in the absolute value of fruit and vegetable production, California farming has shifted sharply toward livestock products and field crops. In 1930, citrus, grapes, and prunes were dominant crops. However, dairy, cattle, and eggs ranked second, third, and fourth, respectively, even then. Chickens ranked eighth and dried field beans seventh. Cotton was in tenth place but was not very important in terms of on-farm gross value of output. Many of the crops which are now important were not even on the list of the ten major commodities produced in California in 1930. In a sense, prior to World War II, California agriculture was known largely as one dependent upon fruits, grapes, and nuts, despite the fact that there was a large but localized stock industry.

A different set of generalizations may now be adduced for 1960. First, California is a far larger agricultural state than it was a quarter of a century ago. Dairy products and cattle now rank first and second in terms of relative farm value, with eggs in the number six position. California has become a dominant cattle slaughter state. There are some 500 feed lots, the total output of which exceeded 1 million head in 1956. Cotton now ranks as the third major crop in California, with hay ranking number four and barley in the tenth position. In some cases, the development of field crops was associated with simultaneous development in livestock. Generally, the development of field crops does not appear to have occurred at the expense of acreage formerly used in the fruit and vegetable industries.

There has been a rapid increase in the relative status of tomatoes, particularly for processing, and of lettuce. All told, there has been a marked decline in the relative status of fruits and vegetables without any real absolute decline in importance. Over all, in 1956, field crops, excluding grains, accounted for 23 per cent of on-farm cash receipts in California. With feed and food grains, field crops accounted for 30 per cent. Livestock and products accounted for 35 per cent of the value of California farm output. Vegetable crops accounted for

Table IV A5: Cash Receipts from Farming, by Commodity, California, 1944-1959

Year	Commodity				
	Livestock and Products	Field Crops[1/]	Fruits and Nuts	Vegetables[2/]	Total
	(millions of dollars)				
1944	488.7	318.9	638.1	277.7	1723.4
1945	533.8	320.7	615.2	316.8	1786.5
1946	619.2	327.9	809.3	354.4	2110.8
1947	752.0	427.4	556.8	384.1	2120.3
1948	830.5	427.4	452.0	366.0	2075.9
1949	771.2	513.5	391.6	337.0	2013.3
1950	830.9	544.7	504.9	319.3	2199.8
1951	1073.9	636.8	508.5	430.7	2649.9
1952	1056.7	695.7	461.5	454.3	2668.2
1953	944.7	721.4	457.0	395.6	2518.7
1954	904.8	623.2	487.9	409.4	2425.3
1955	951.4	581.5	543.4	465.3	2541.6
1956	989.9	624.8	586.5	517.8	2719.0
1957	1006.0	623.2	530.3	468.6	2628.1
1958	1088.7	634.5	543.3	467.9	2734.4
1959[3/]	1045.2				2668.8

1/ Includes sweet potatoes, dried beans, dried peas, sugar beets and hops. Includes category other under crops for 1944-1951.
Category other under crops left out for rest of table because vegetables appeared in it.

2/ Includes potatoes, strawberries, cantaloupes, watermelons, honeydew melons, and tomatoes.

3/ Figures for 1959 are estimated.

Source: USAMS, The Farm Income Situation, various issues 1946 to 1959

Table IV A6: Cash Receipts from Farm Marketings by Commodity, California, 1946-1958

Year	Field Crops	Fruit & Nut Crops	Vegetables & Melons	Forest, Nursery & Greenhouse	Total[1/] All Crops	Livestock & Prods.	Total Cash Receipts from Marketings	Gov't. Pmts.	Total Cash Receipts from Farming
				(In 000 of dollars)					
Aver. 1936 - 1940	130,404	196,807	87,724	---	414,935	228,297	643,232	12,581	655,813
1946	389,977	814,892	286,691	38,042	1,505,697	653,346	2,159,043	45,729	2,204,772
1947	518,039	503,924	318,180	44,388	1,359,440	775,276	2,134,716	13,004	2,147,720
1948	502,288	463,165	291,151	45,951	1,295,877	858,698	2,154,575	13,611	2,168,186
1949	572,833	387,117	292,898	43,295	1,306,824	788,230	2,095,054	9,220	2,104,274
1950	595,432	522,280	268,597	53,843	1,449,804	847,625	2,297,429	13,641	2,311,070
1951	701,407	545,510	354,407	61,518	1,676,734	1,096,652	2,773,386	13,490	2,786,876
1952	808,582	482,607	336,815	63,049	1,690,774	1,039,989	2,730,763	11,206	2,741,969
1953	764,971	494,593	339,335	63,761	1,666,189	973,726	2,639,915	10,040	2,649,955
1954	699,374	514,304	332,535	67,194	1,611,442	905,537	2,516,979	14,802	2,531,781
1955	655,634	585,907	381,757	69,171	1,701,661	948,609	2,650,270	11,970	2,662,240
1956	732,272	639,227	382,117	72,371	1,830,657	992,981	2,823,638	17,370	2,841,008
1957	688,182	562,453	389,793	75,977	1,716,405	1,006,026	2,722,433	31,647	2,754,078
1958	703,952	577,205	381,460	78,138	1,740,755	1,088,708	2,829,463	23,329	2,852,792

1/ 1946-1958 Revised in 1958. Therefore not necessary to have a total of all columns preceding.

Source: California Crop and Livestock Reporting Bd. Estimated Cash Farm Income (annual) 1943 to date.

14 per cent. The remainder of value of farm output for California came from fruits, berries, and nuts. There has been a relatively slow growth in the California deciduous fruit industries. There is a marked indication of a shift toward processing of most of these commodities.

Summary descriptions of the changing commodity composition of California farm income are shown in Tables IVA-5 and IVA-6.

Location.--The pressure of population and increasing urbanization in California, with simultaneous development of local markets, has been associated with sharp changes in locational patterns. The San Joaquin Valley accounts for an increasing percentage of value of California farm output, with 61 per cent of state output of field crops; 37 per cent of fruits and nuts; 26 per cent of vegetables; 26 per cent of poultry products; 34 per cent of livestock; and 34 per cent of dairy products. The dominant position of the San Joaquin area and the growth of its importance in California agriculture can be indicated by comparison of percentages of state value of farm production in various classifications produced there in 1935 and in 1957: raisin grapes, 81 per cent to 95 per cent; freestone peaches, 60 per cent to 78 per cent; plums, 32 per cent to 55 per cent; cherries, 52 per cent, decreasing to 49 per cent; and walnuts, 16 per cent to 35 per cent.

There has been a slight increase in the proportion of California output of fruits, nuts, vegetables, and field crops produced in northern California.

The commodity constituency and the geographic location of southern California production have changed without any absolute decline in its fruit and vegetable industries. Nonetheless, the southern part of the state is already a major livestock and field crop area. Defining southern California to include Tulare County and southward, the nature of the shift can be demonstrated by comparing the percentage of southern California agricultural output comprised by each of the major product classifications for 1933 and 1958: fruits, 50 per cent to 20 per cent; vegetables, 20 per cent to 15 per cent; field crops, 10 per cent to 25 per cent; and livestock, 20 per cent to 40 per cent. When value of agricultural output by commodities for southern California is expressed as a percentage of the value of total California agricultural output in these major categories for 1930 and 1956, the change in locational pattern becomes obvious. For 1930 and 1956, the proportions are as follows: fruits and nuts, from about three-fourths of California value of output down to about two-thirds; vegetables, from about two-thirds to about 40 per cent; fields crops, from about 30 per cent to 60 per cent; livestock,

from about 30 per cent to 60 per cent. At the same time, there was a sharp increase in the dollar value of output of fruits, vegetables, and nuts despite the decline in their relative position as compared either with total southern California value of output or that for the state as a whole.

In the eight-county area south of the Tehachapi Mountains, the total on-farm agricultural value in 1956 was almost 1 billion dollars. On-farm value of production in poultry, livestock, and dairy products was about 100 million dollars. Field crops were valued at about 130 million dollars. The citrus crop was worth about 170 million dollars, and other fruit and nut crops were worth about 45 million. The vegetable crop was valued at 163 million dollars, and nursery products approached 40 million in value.

The livestock industry in southern California appears to have concentrated in a large measure in counties which once emphasized fruit and nut production. Kern and Kings counties are exceptions, in view of the heavy development of cotton in those two areas. Among southern counties, the ranking in 1956 was as follows: Tulare, Kern, Los Angeles. While there was a sharp increase in the on-farm value of agricultural production in Los Angeles County, it represented in 1956 only about 13 per cent of the total farm value of agricultural output in southern California. This change in relative status without change in absolute value of output is attributable to the great increases in value of livestock production in Tulare County and field crop production in Kern County.

Summaries of commodity and regional values of California farm output are shown in Tables IVA-7 and IVA-8.

Inputs and Productivity

Major structural attributes of the California agricultural economy are shown in Table IVB-1. Briefly, there has been a decline in number of farms from the level of 136,000 in 1930 to approximately 123,000 in the last census year, 1954. The number of commercial farms appears to have decreased from 99,000 in 1950 to 89,000 in 1954. On the other hand, there appears to have been a systematic increase in the proportion of the total land in California in farm use. In 1930, approximately 30.6 per cent of California land was farmed. This percentage has risen to 37.7 per cent by 1954. The parallel acreage figures in farms were 30.4 million in 1930 and 38 million in 1954. Harvested cropland increased steadily from 6.5 million acres in 1930 to 8.3 million in 1954. There were similar increases in irrigated land in farms, ranging from 4.3 million acres in 1940 to 7 million acres in 1954. The size of California farms reached an apparent low point at an average of 202.4 acres in 1935 but has since grown steadily, and the average acreage per farm in 1954 was 307 acres.

TABLE IV A 7 Percentage Distribution of Total Value of Agricultural Production by Commodity Group, by Economic Area California: 1940, 1945, 1950, and 1954.

Area	Year	Total all Crops	Field Crops	Vegetables	Fruit and Nuts	Horti-cultural Specialties	Total Livestock & Livestock Products	Dairy	Poultry	Livestock Other Than Dairy	Forestry
California Total	1940	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	1945	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	1950	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	1954	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
North Coast	1940	2.89	1.88	.49	4.63	1.58	11.84	.61	24.63	7.02	29.30
	1945	3.21	1.94	.84	4.14	8.32	11.66	9.35	23.98	6.13	43.52
	1950	1.84	1.00	.24	3.82	2.01	9.64	9.15	17.97	5.17	34.73
	1954	1.86	.34	.30	4.45	2.17	7.53	8.35	11.70	4.47	65.79
Mt. Counties	1940	2.36	2.98	.19	2.68	.48	6.76	3.21	2.86	13.08	37.81
	1945	1.51	2.80	.17	1.26	.42	4.98	1.95	2.94	10.25	24.02
	1950	1.53	2.17	.06	1.54	.63	5.55	1.67	3.64	9.60	42.69
	1954	1.50	1.74	.06	1.76	1.17	4.60	1.30	3.66	7.81	16.55
Sacramento Valley	1940	13.05	18.34	10.12	10.16	4.55	11.76	6.70	8.48	19.30	7.18
	1945	12.11	19.45	9.49	9.55	4.62	10.72	7.08	8.74	16.69	9.89
	1950	12.43	17.31	6.61	9.93	2.83	9.04	6.77	6.05	12.50	7.62
	1954	12.29	16.60	7.05	9.42	4.54	8.14	6.18	5.02	11.53	7.22
San Joaquin Valley	1940	35.05	46.03	19.61	33.19	4.41	26.23	30.63	18.11	26.79	7.18
	1945	38.04	44.72	22.66	40.49	6.22	31.76	37.41	21.24	32.40	7.28
	1950	42.72	59.50	22.24	34.77	7.04	29.41	33.62	24.39	29.14	8.07
	1954	45.34	60.55	25.83	36.93	6.55	31.62	33.91	25.85	33.08	6.77
North Metro-politan	1940	8.55	2.68	12.88	9.72	36.75	8.57	10.64	7.37	7.13	6.24
	1945	7.31	1.91	11.78	7.14	36.30	7.06	8.35	7.52	5.13	2.62
	1950	6.55	1.35	10.23	8.55	31.31	6.71	8.88	6.16	5.39	1.01
	1954	6.50	.93	10.70	9.38	31.57	5.91	7.20	5.48	5.12	1.14
Central Coast	1940	7.40	7.83	21.00	3.06	4.15	5.55	3.89	4.18	8.22	8.13
	1945	6.12	6.38	19.92	2.67	3.71	4.95	3.52	4.10	7.36	3.35
	1950	6.93	4.12	24.08	2.41	3.58	4.87	2.79	5.05	6.35	3.53
	1954	5.95	3.68	21.83	3.35	3.10	4.17	2.45	4.86	5.16	1.54

TABLE IV A 7 Percentage Distribution of Total Value of Agricultural Production by Commodity Group, by Economic Area California: 1940, 1945, 1950, and 1954

Area	Year	Total all Crops	Field Crops	Vegetables	Fruit and Nuts	Horticultural Specialties	Total Livestock & Livestock Products	Dairy	Poultry	Livestock Other Than Dairy	Forestry
South Metropolitan	1940	13.37	6.47	14.78	16.64	38.03	19.63	28.99	22.53	7.72	1.70
	1945	14.24	5.50	12.16	18.04	32.46	18.63	25.49	18.91	9.89	5.53
	1950	10.58	3.22	9.84	16.89	42.72	20.88	30.11	22.50	12.93	.56
	1954	9.19	2.41	11.87	13.93	37.22	21.65	31.72	26.73	10.57	.52
Southern California	1940	17.33	13.79	20.93	19.92	10.05	9.66	7.33	11.84	10.74	2.46
	1945	17.46	17.30	22.98	16.71	7.95	10.04	6.85	12.57	12.15	3.79
	1950	17.42	11.33	26.70	22.09	9.88	13.90	7.01	14.24	18.92	1.79
	1954	17.37	13.75	22.36	20.78	13.68	16.38	8.89	16.70	22.26	.47

Source: U. S. Bureau of the Census. U. S. Census of Agriculture, 1954, and earlier years.

Table IV A8: Percentage Distribution of Farms by Economic Area, California, 1940, 1945, 1950, and 1954

Area	Number of farms as per cent of state total			
	1940	1945	1950	1954
North Coast	9.80	10.04	9.21	9.68
Mountain Counties	6.77	6.34	6.28	6.32
Sacramento Valley	11.07	11.39	11.32	12.35
San Joaquin Valley	27.79	27.58	29.51	31.29
Northern Metropolitan	8.70	8.52	8.00	7.50
Central Coast	5.00	4.94	4.61	4.77
Southern Metropolitan	18.39	17.40	17.79	15.71
Southern California	12.48	13.79	13.28	12.38
California, total	100.00	100.00	100.00	100.00

Source: Same as Table IVA-7.

TABLE IVB-1

Some Indicators of Economic Change in California Agriculture, Selected Years, 1930 to 1957

Item	1957	1954	1950	1945	1940	1935	1930
Number of farms		123,075	137,163	138,917	132,658	150,360	135,676
Number of commercial farms		89,426	99,164				
Proportion of land in farms (per cent)		37.7	36.5	34.9	30.4	30.6	30.6
Land in farms (acres)		37,794,780	36,613,291	30,054,379	30,524,324	30,437,995	30,442,581
Harvested cropland (acres)		8,326,331	7,956,671	7,535,523	6,534,562	6,578,724	6,549,967
Irrigated land in farms (acres)		7,048,049	6,438,324	4,952,819	4,276,554		
Average size of farm (acres)		307.1	266.9	252.3	230.1	202.4	224.4
Average value of land and buildings per farm (dollars)		69,620	40,427	25,084	16,331	15,466	25,203
Average value of land and buildings per acre (dollars)		227	154	99	70	76	
Index of farm real estate value (1947-1949 = 100)	147	122	94	80	42	41	
Farm population (000)			668	584	670	621	622
Farm population as per cent of total population			6.3	6.8	9.7	10.4	10.9
Workers on farms (average monthly)	464,250	459,625	403,883				
Index of farm production (all products) (1947-1949 = 100)		123	106	89	78	64	63
Index of farm marketing (all products) (1947-1949 = 100)		126	108	92	74	60	59
Index of prices received (all products) (1947-1949 = 100)		95	102	92	41	43	50
Total net farm income (million dollars)	964.1	950.6	901.5				
Realized net income per farm (dollars)	7,512	6,630	6,079				
Cash receipts of farm marketing (million dollars)	2,772	2,519	2,297	1,803	693		

(Continued on next page.)

Table IVB-1 continued.

Item	1957	1954	1950	1945	1940	1935	1930
Total farm debt (million dollars)		1,110	740	488	556		
Net value of physical assets (million dollars)		807	848	623	59		
Ratio of net worth to debt		9.43	10.29	12.15	4.55		
Ratio of net worth to fixed assets		1.15	1.21	1.20	1.10		
Total production expenses (million dollars)	1,870	1,765	1,551	1,064	491		

Sources: Chiefly U. S. Bureau of the Census, U. S. Census of Agriculture, 1954 and earlier years; also, U. S. Department of Agriculture, Agricultural Statistics, various years, and U. S. Agricultural Marketing Service, The Farm Income Situation, September, 1959.

Note: All data not available for all years.

In undeflated terms, there was an extensive increase in the average value of land and buildings per farm. In 1930, average value was $25,000. In 1954, the average value of land in buildings per farm exceeded $60,000. Per-acre value of land and buildings was approximately $70 in 1940, increasing to $227 per acre in 1954.

Farm population in absolute terms has increased only slightly from the approximate 620,000 people living on farms in 1930 and 1935. In 1950, the estimate was 668,000. As a percentage of total population, there has been a sharp decline from approximately 11 per cent in 1930 to 6.3 per cent in 1950. Input of workers on an average monthly basis was estimated to be 464,000 in 1957.

There have been substantial increases in real product associated with the expansion of major input factors. Thus, with 1947-1949 as the base period, farm production in California had increased by 6 per cent over the base period in 1950. In 1954, Census data indicated an expansion of 23 per cent in production over the base year magnitudes. Farm marketing in 1954 had increased 26 per cent. Prices in 1954 were only 95 per cent of the base period value.

Production Base.--With approximately 100 million acres in California, 10 million acres are in cropland, of which some 7 million are irrigated; 31 million acres are in pasture and range; and 45 million acres are in forests or wilderness. Since 1942, more than 800,000 acres have been removed from agriculture but have been almost exactly balanced by increased development of agricultural land primarily in the San Joaquin Valley and to a lesser extent in the inland deserts. In recent years, approximately 27 million acre-feet of water have been used of a total maximum supply of 103 million acres. It is obvious that development of this major input factor will in a large measure determine patterns of inputs and production in California farming.

Table IVB-2 provides estimated values per acre of irrigated land used for growing specified crops in California as of March 1, 1958. The wide range of difference in market value is immediately obvious. To a large measure, these differences in market values per acre reflect differences in investment.

Perhaps most impressive is the obvious fact that, since the development of the California agricultural economy some 100 years ago, such basic resources as land area have not in fact been fixed. There have been substantial changes in quantity, quality, and location of agricultural cropland, and such changes appear to be continuing at present.

Capital Inputs.--There are no data for over-all factor inputs in California of the kind generally available with respect to the United States farm economy.

TABLE IVB-2

Estimated Value Per Acre of Irrigated Land Used for Growing Specified Crops
California, March 1, 1958[a]

Crop	Average value per acre	Range in market value[b]	Crop	Average value per acre	Range in market value[b]
	dollars			dollars	
Avocados	4,750	4,500-5,500	Table grapes	1,525	1,000-2,000
Lemons	3,300	2,000-5,500	Raisin grapes	1,300	1,000-1,500
Navel oranges	2,950	1,000-4,500	Wine or juice grapes	1,075	650-1,500
Valencia oranges	2,650	1,000-3,500	Truck and vegetables	1,150	600-2,000
English walnuts	1,875	1,000-2,800	Intensive field crops[c]	750	400-1,100
Apricots	1,800	1,000-2,400	Extensive field crops[d]	550	200-1,000
Peaches	1,600	1,000-2,500	Prunes	1,525	750-2,000
Almonds	1,525	800-2,000			
Pears	1,450	750-2,500			

a/ Based on estimates obtained from real estate reporters. They were asked to give their estimates of the current market value of each of the above types of land excluding nonbearing fruit acreage and the value of buildings.

b/ This range excludes the highest and lowest 10 per cent of the reported values.

c/ Includes land used for growing cotton, sugar beets, rice, and similar crops.

d/ Includes land used for growing barley, beans, hay, corn, sorghum, etc.

Source: U. S. Agricultural Research Service, Current Developments in the Farm Real Estate Market, ARS 43-74 (CD-49), May, 1958, Table 3, p. 8.

Table IVB-3 indicates the dramatic change in the nature of farming. Since 1944, there has been a decrease of 29 per cent in inputs of operator and family labor, real estate, and other inputs owned by farmers. At the same time, there has been an increase of 30 per cent in other inputs purchased by the farmer. There are two generalizations. First, this process of commercialization is accelerating. Second, it is likely that commercial inputs into California farming are at least as important as for the national farm economy.

The over-all value of physical assets used in California agriculture over the years 1940-1956 is shown in Table IVB-4. Using undeflated data, there has been an immense growth with only one minor decline over the period 1940-1956. In 1940, total physical assets were estimated at 2.5 billion dollars. In 1956, total assets in the California agricultural economy were valued at 10.9 billion dollars. There have been sharp changes in the composition of the total value of physical assets.

The major component has always been real estate. In 1940, the value of real estate as a major capital asset in California agriculture was 2.2 billion dollars. By 1956, this figure had risen to 9.3 billion. The second largest component in the capital structure of California agriculture is the classification designated as machinery and equipment. There has also been substantial and continuing growth in this category. In 1940, machinery and equipment on California farms was valued at 132 million dollars. By 1956, this had increased to an estimate of 1 billion dollars. Livestock as a capital asset has also increased substantially. With less than 200 million dollars in 1941, the value of livestock on farms in California increased to 832 million dollars in 1952. There was a decline from that peak to a magnitude of 520 million dollars in 1956.

Estimates of the values of growing crops as a capital asset are also available. There has been considerable variation on a year-to-year basis in the category of capital. The largest magnitude of growing-crops capital occurred in 1953 when this asset was valued at 105 million dollars. In 1956, asset value had decreased to 44 million dollars. Despite the fact that labor inputs do not appear to have declined so sharply relatively in California agriculture as in other parts of the agricultural economy, physical capital is an increasing and immensely important part of the production process in this state.

The commercial nature of California farming is indicated clearly by Table IVB-5. The great bulk of income is from cash marketings rather than from government payments or the perquisites of rural life. The accelerating trend to

TABLE IVB-3

Index Numbers of Purchased and Nonpurchased Inputs, United States Agriculture 1940-1958

Years	Nonpurchased inputs[a]	Purchased inputs[b]
	1940 = 100	
1940	100	100
1941	95	105
1942	97	111
1943	98	110
1944	101	108
1945	98	106
1946	93	112
1947	88	117
1948	88	120
1949	88	122
1950	83	127
1951	86	131
1952	84	132
1953	83	132
1954	79	133
1955	78	135
1956	76	137
1957	73	137
1958	72	140

a/ Farm operator and family labor plus inputs of real estate and other capital owned by farm operator.

b/ All inputs other than nonpurchased inputs.

Source: U. S. Department of Agriculture, Agricultural Outlook Charts, 1960, Table 36.

TABLE IVB-4

Value of Physical Assets, California Agriculture
January 1, 1940-1956

Year	Total	Real estate	Machinery and equipment	Livestock	Growing crops
	millions of dollars				
1940	2,469	2,166	132	164	7
1941	2,594	2,248	148	195	3
1942	2,993	2,539	176	249	29
1943	3,609	3,044	200	315	50
1944	4,440	3,835	221	345	39
1945	5,305	4,694	244	323	44
1946	6,201	5,547	274	360	20
1947	6,861	6,055	341	423	42
1948	6,998	6,035	439	483	39
1949	6,959	5,795	557	548	59
1950	6,763	5,650	637	476	0
1951	8,187	6,692	754	699	42
1952	9,567	7,810	847	832	78
1953	9,773	8,124	890	654	105
1954	9,659	8,149	925	536	49
1955	10,240	8,680	961	543	56
1956	10,882	9,297	1,021	520	44

Source: Davis, Irving F., An Economic Analysis of Saving in Agriculture with Special Reference to California (unpublished Ph.D. dissertation, Department of Agricultural Economics, University of California, Berkeley, December, 1958), p. 284.

TABLE IVB-5

Net Cash Income from Agriculture and Estimated Expenditures for Farm Family Living
California, 1940-1957

Year	Cash receipts from farm marketings	Government payments	Interest income on time deposits a/	Interest income on equity in cooperatives b/	Total cash farm income	Farm production expenses	Net cash farm income	Index of family living expenses	Per farm family living expenditures c/	Number of farms	Total farm family living expenditures
	millions of dollars								million dollars		million dollars
1940	692.7	19.7	4.4	2.7	719.5	490.5	229.0	121	2,276	141	320.9
1941	907.7	17.6	4.5	2.8	932.6	468.0	364.6	130	2,445	141	344.8
1942	1,203.1	13.2	4.1	3.1	1,223.5	706.2	517.3	149	2,803	139	389.6
1943	1,586.6	16.0	3.8	3.5	1,609.9	880.4	729.5	166	3,122	140	437.1
1944	1,738.2	42.0	4.3	3.8	1,788.3	954.7	833.6	175	3,292	141	464.1
1945	1,802.8	35.2	5.2	4.1	1,847.3	1,063.6	783.7	182	3,423	142	486.1
1946	2,148.8	45.7	6.8	4.4	2,205.7	1,158.7	1,047.0	202	3,800	142	539.5
1947	2,138.2	13.0	7.7	5.0	2,163.9	1,332.0	831.9	237	4,458	143	637.5
1948	2,133.1	13.6	7.7	5.7	2,160.1	1,455.5	704.6	251	4,721	143	675.1
1949	2,090.9	9.2	7.6	7.4	2,115.1	1,414.6	700.5	243	4,571	144	658.2
1950	2,297.4	13.6	7.5	8.3	2,326.8	1,550.9	775.9	246	4,627	144	666.3
1951	2,772.5	13.5	7.1	11.5	2,804.6	1,845.4	959.2	268	5,041	142	715.8
1952	2,730.8	11.2	7.1	11.9	2,761.0	1,830.1	930.9	271	5,097	139	708.6
1953	2,639.5	10.0	7.5	12.7	2,669.7	1,751.0	918.7	270	5,079	137	695.8
1954	2,519.1	14.8	7.5	13.6	2,555.0	1,765.1	789.9	274	5,154	136	700.9
1955	2,650.3	12.0	8.0	13.9	2,684.2	1,784.9	899.3	273	5,135	134	688.1
1956	2,817.3	17.4	8.0	14.2	2,856.9	1,903.0	953.9	278	5,229	133	695.5
1957	2,722.4	31.6									

a/ Assumes a constant rate of 1.5 per cent which is applied to the January 1, outstanding farmer-owned time deposits. These are assumed to be the average outstanding for the year.

b/ Assumes a constant rate of 1.67 per cent interest and dividend rate on equity capital in farmer cooperatives.

c/ Average family living expenditures of farm-operator families for the Pacific region (California, Washington, and Oregon). 1955 benchmark of $5,135.12 is extended into a time series by use of the index of prices paid by farmers for living items. Includes all money expenditures for family living purposes except income taxes and cash or share rent for on-farm rented dwellings.

Source: Davis, Irving F., An Economic Analysis of Saving in Agriculture with Special Reference to California, unpublished Ph.D. dissertation, Department of Agricultural Economics, University of California, Berkeley, December, 1958, pp. 306-307.

dependence on purchased off-farm inputs is equally clear. In 1956, farm production expenses were nearly 2 billion dollars in California. In 15 years and in undeflated dollars, the magnitude of these costs more than quadrupled.

The tenure system in California is primarily based upon owner operation. However, about 73 per cent of California farms are owner operated, about 14 per cent are operated on a part-owner basis, some 2 per cent are run by managers, and about 11 per cent by tenants. As indicated above, the average farm now exceeds 300 acres in size, with a capital investment in excess of $60,000 and, on the average, an investment of about $227 of capital input per acre. While it is logical to expect an increase in average size of farm enterprises and an expansion of capital structure, there appears to be no indication that owner-operated enterprises will disappear. Capital per farm is twice the national average.

Labor Inputs.--The composition of the working force on California farms over the years 1949-1957 is shown in Table IVB-6. Data are presented in terms of the average monthly magnitude of various components of the working force, the monthly high input within each year, and the monthly low input within each year. The total force is broken down into farmers and unpaid family workers, temporarily hired domestic laborers, and foreign contract laborers. There are serious difficulties associated with accurate estimates of numbers of foreign contract workers, especially in early years. The naked data indicate an apparent increase in foreign contract labor ranging from [illegible],000 men in 1949 to approximately 52,000 persons in 1957. There appear to have been substantial variations within nearly all of the years. Thus, in 1956 the monthly low input of foreign contract labor was 26,000 men with 92,000 men at the high month in the same year.

There appears to be no marked trend in the number of hired domestic laborers. While the average monthly input of hired domestic labor in 1949 was 154,000 people and that for 1957 was 133,000 persons, there has been no trend either upward or downward of any substantial magnitude in the intervening time. There does appear to have been some decline in the average high monthly input of hired domestic labor, with 259,000 employed in the peak month of 1949 and only 190,000 employees in the peak month of 1957. There also have been marked variations in the low monthly input of hired domestic labor.

Again, there is little if any discernible trend in the average monthly inputs of farmers and unpaid family workers on California farms. In 1949, the average monthly input was approximately 152,000 people, increasing to approximately 170,000 workers in 1955 and dropping back to 159,000 persons in 1957. Quite

TABLE IVB-6

California Farm Employment, 1949-1957

Year	Total workers			Farmers and unpaid family workers			Hired domestic				Foreign contract workers		
							Temporary			Year round			
	Average monthly	High	Low	Average monthly	High	Low	Average monthly	High	Low	Average	Average monthly	High	Low
1949	411,207	524,000	324,500	151,833	160,000	140,000	153,683	259,000	76,200	100,833	4,858	7,500	3,100
1950	403,883	492,000	326,000	159,592	165,000	155,000	132,016	213,200	61,000	104,800	7,475	10,100	5,700
1951	416,916	528,500	334,000	159,550	166,000	155,000	131,608	219,300	64,600	107,158	18,600	36,200	10,800
1952	428,016	518,000	355,500	163,208	170,000	157,000	133,542	207,000	79,000	108,258	23,008	39,500	12,400
1953	444,958	536,000	365,500	164,483	171,000	156,700	139,350	206,000	81,500	115,642	25,483	40,000	17,300
1954	459,625	543,000	386,000	168,342	174,600	161,000	142,192	194,200	93,500	119,958	29,133	51,000	14,300
1955	473,541	580,000	400,000	169,850	178,500	161,500	142,425	208,800	95,800	121,158	40,108	74,300	21,800
1956	467,375	578,500	397,000	163,000	169,000	156,500	134,842	196,000	92,000	119,342	50,191	92,000	26,000
1957	464,250	565,000	385,500	159,342	165,000	152,500	132,900	193,000	82,200	120,150	51,858	84,600	27,200

Source: State of California, Department of Employment, Farm Placement Service, California Annual Farm Labor Report, annual issues, 1950-1957.

naturally, the differentials between the monthly high input and the monthly low input appear to be very much less in this category of labor than in the other three. There are indications of decreasing seasonality.

All told, there seems to have been a fairly continuous and stable upward drift in the total input of labor in the California agricultural economy.

In 1949, the average monthly labor input was 411,000 people. In that same year, the high month involved an input of 524,000 workers, and the low month involved 325,000 persons. The peak in labor input appears to have occurred in 1955, at which time there were approximately 473,000 average monthly labor inputs, with a high month of 580,000 people and a low month estimated at 400,000 persons. By 1957, the average monthly input of all kinds of labor had decreased to 464,000 workers, with a monthly high of 565,000 people and a monthly low of 385,000 workers.

It has been estimated that in September, 1958, there were about 565,000 persons working on California farms--85,000 foreign contract workers, 315,000 hired domestic farm workers, and 165,000 farmers and unpaid family workers. The average monthly input of labor in agriculture in California for 1958 was estimated by the California State Chamber of Commerce at 480,000 people. In that same year, the total employed labor force of California was estimated at 5.6 million people. The year-round average has increased by 20,000 workers.

Both the capital and the labor inputs in California agriculture reflect the long-standing commercial nature of California farming. Long-run issues with respect to the California agricultural base have already appeared. There are prospects of some change upward in the natural resource base for agricultural production in California, especially if water developments proceed as planned. Technology has been changing rapidly. Quite different capital inputs may be expected as methods and scale of farm operation change.

The already sharp shifts in products and locational patterns may be expected to continue. Finally, markets facing agriculture should expand greatly in size and perhaps in other attributes. The adjustment of labor inputs to changes of such scope has already been difficult, and there is little indication that these difficulties will be mitigated in the future.

It is difficult to quantify the effects of technological change in California farming. Estimated 1950 requirements of labor inputs in millions of man-hours are shown in Panel A of Table IVB-7 for fruits, vegetables, field crops, and livestock production in California. One major difference in California and

TABLE IVB-7

Summary of Tables IVB-8 through IVB-16: (A) Estimated Labor Requirements for Principal Types of Crops, California, 1950; and (b) Estimated Proportionate Reduction in Labor Requirements During the Years 1950-1959 Owing to Technological and Mechanical Advancement

Type of crops	(A) Estimated labor requirements			
	Total	Harvesting	Cultural	Cultural as per cent of total
	millions of man-hours			per cent
Total	815	--	--	--
Livestock and poultry	152	--	--	--
Crops, total	663	449	214	32.3
Fruit	401	313	88	21.9
Vegetables	88	53	35	40.0
Field crops	174	83	91	52.3
	(B) Estimated proportionate reduction			
Livestock and poultry	1/10	--	--	
Fruits	2/5	1/3	1/2	
Vegetables	1/3	1/3	1/3	
Field crops	1/4	1/4	1/4	

Source: Tables IVB-8 through IVB-16: University of California, Agricultural Extension Service, Estimated Labor Requirements for California Agriculture, 1950 and 1955, by Arthur Shultis and Warren Bailey.

other United States farming is made clear. In fruits and also in vegetables, the great bulk of labor is required for harvesting rather than cultural operations. Approximately 22 per cent of labor requirements in fruit production were for cultural operations, some 40 per cent in vegetables, and 52 per cent in field crops for the same purposes. For crops as a whole, and despite rapid mechanization of field crop production, about two-thirds of the labor needs involved harvest work.

In Panel B of Table IVB-7, estimated reductions in man-hours of labor requirements over the decade 1950-1960 are set out. The assumptions governing these estimates are indicated on the table. Thus, a 40 per cent decrease in labor inputs was estimated for fruits, with a decrease of one-half in cultural and one-third in harvesting operations. For vegetables, including tomatoes and asparagus for canning, a decrease of requirements of one-third was estimated for both categories of work. A decrease of one-fourth in requirements of labor for cultural and harvesting functions in field crops was estimated. The primary determinants in this category were expansion of mechanical harvesting of cotton, elimination of preharvest hand work in sugar beets, further use of one-man hay balers, and other technological improvements in haying. A decrease of 10 per cent in labor requirements for livestock production reflects bulk handling of feeds and automatic feeding devices in the main.

Thus, it is now estimated that production of 1950 California farm output could have been achieved using 1960 methods with about 27 per cent less labor input. California has always been highly capitalized. The apparent rate of substitution of capital for labor in California does not seem to differ significantly from the national average. The dominance of fruits and vegetables, with technological breakthroughs not yet available to substitute for labor is the major explanation of the difference in labor requirements in California and elsewhere. Clearly, if it be desired that the labor-use pattern be shifted without serious damage to these industries, then development of new inputs or recombination of old ones in harvesting of fruits and vegetables seems critically to be needed.

Changes over the years 1950-1955 in labor requirements for major classes of California farm products are summarized in Table IVB-8. Despite a small decrease in labor input per unit for bearing fruits and berries from 146 to 145 hours per acre per year, the total requirements rose by 2.1 per cent. The reverse occurred with nonbearing fruits and berries, where a rise in per-acre requirements was offset by a sharp decrease in acreage for a decline in labor requirements of 28.4 per cent. There was a slight increase in total requirements for

Table IV B8: Summary of Estimated Labor Requirements for 1950 & 1955

	1950			1955			
	Total number of units	Hours per unit	Total 1,000 hours	Total Number of units	Hours per unit	Total 1,000 hours	Per cent change
Bearing fruits and berries	1,371,618 acres	146	201,033	1,410,600 acres	145	205,179	2.1
Nonbearing fruits and berries	129,189 acres	49	6,279	84,400 acres	53	4,496	-28.4
Total fruits and berries	1,500,807 acres		207,312	1,495,000 acres		209,675	1.1
Field crops including potatoes	7,261,200 acres	24	174,336	8,342,900 acres	23	190,832	9.5
Vegetables	614,397 acres	143	87,695	622,700 acres	136	85,042	-3.0
Nursery, flowers, bulbs	14,000 acres	1,785	25,000	15,000 acres	1,750	26,250	5.0
Subtotal, all crops	9,390,404 acres	53	494,343	10,475,600 acres	49	511,799	3.5
Range maintenance & improvement	18,500,000 acres	0.10	1,850	18,500,000 acres	0.11	2,035	10.0
Total crops and land	27,890,404 acres	-	496,193	28,975,600 acres	-	513,834	3.6
Livestock and poultry	3,592,098 A.U.	42	152,228	4,009,520 A.U.	39	158,270	4.0
General farm maintenance	137,168 farms	400	54,867	138,000 farms	400	55,200	.6
Total agricultural labor			703,288			727,304	3.4

This summary of labor requirement estimates by major categories shows some increases and some decreases, with a net increase from 1950 to 1955 of about 24 million hours, or 3.4%. This is not a large increase and it does not necessarily follow that 3.4% more workers may be needed. Under a continuing labor shortage situation it is conceivable that with less lost time or more hours of work per week, the extra work could be done with the same number or even fewer workers.

California agriculture is expected to expand by 1955 as shown by an increase of 11.2% in total crop acreage and 11.6% in animal units of livestock. The only category showing a decrease in acreage is nonbearing fruits in which the authors made their own lower estimate. Because of expected improvements in methods and equipment, some reduction in hours per acre or per animal unit is assumed by 1955. So the increased production is estimated to require only 3.4% overall increase in labor.

Source: Same as Table IVB-7.

fruits and berries. With a slight decrease in labor requirements per unit, labor requirements in total rose 9.5 per cent for field crops, including potatoes; 5.0 per cent for nursery products; and dropped 3 per cent for vegetables. For crops as a whole, acreage increases offset decreases in requirements per acre, and a 3 per cent increase in requirements occurred.

Changes in range operations engendered a 10 per cent increase in labor requirements, leading to a weighted increase of 3.6 per cent for total crops and land.

For livestock and poultry, a relatively minor decline in labor requirements per animal unit was offset by an increased number of units to yield a 4.0 per cent increase in requirements. There was an increase of 0.6 per cent in general farm maintenance requirements. All told, man-hour requirements rose from 703.3 million to 727.3 million, or by 3.4 per cent. This increase is attributable solely to expansion of plant. Capital continued to be substituted for labor in every commodity category, with percentage declines in labor inputs per land or animal units of relatively minor magnitude in all categories.

Detailed breakdowns of labor use in California in 1950 and 1955 are shown in Tables IVB-9 through IVB-16 for fruits, field crops, vegetables, and for livestock and poultry. These detailed data indicate the reasons for the relatively heavy labor requirements in fruits and vegetables.

Input Costs.--There are several significant differences in proportions and rates of change over time in input costs between California and the national farm economy. First, the changes in total production expenses and total current operating expenses are almost identical. Yet payments to hired labor are a much greater proportion of total production expenses in California. Since 1950, there has been a pronounced and steady upward drift in the total wage bill for California hired farm labor against a declining trend in the national farm economy. Interest costs have been about the same relatively and have increased very sharply in both the California and national farm economies. Net rents to farm landlords have declined sharply and steadily since 1951 and almost identically for both economies. Relatively more fertilizer is used in the national economy than in California, although the rate of increase is higher here. Taxes on farm property have risen sharply in both sectors. Since the upturn of 1953, livestock outlays have gone up much faster than in California. Seed costs have been stable in both. Depreciation and repair costs are almost identical.

Two generalizations seem in order. First, the off-farm input market is national in scope, and the increase in cash costs is about the same for California

Table IV B9: Estimated Labor Requirements for California Fruits, 1950

Kind	Bearing acres 1950	Total production in units under yield	Yield per acre		Man Labor Hours per Acre			Total Man Labor 1,000 hours		
			In units	in Pounds	Cultural	Harvest	Total	Cultural	Harvesting	Total
Almonds	91,296	37,700	.41 T.	820	37	52	89	3,378	4,747	8,125
Apples	24,353	6,748,000	277 Bu.	11,080	140	69	209	3,409	1,680	5,089
Apricots	45,719	213,000	4.7 T.	9,400	115	144	259	5,258	6,583	11,841
Avocados	11,704	15,500	1.3 T.	2,600	49	28	77	573	328	901
Cherries	9,307	31,000	3.3 T.	6,600	44	365	409	410	3,397	3,807
Dates	4,140	15,040	3.6 T.	7,200	140	154	294	579	638	1,217
Figs	29,220	84,200	2.88 Fr.T.	5,760	44	78	122	1,286	2,279	3.565
Grapes, wine var.	159,419	512,000	3.2 T.	6,400	36	34	70	5,739	5,420	11,159
Grapes, table	91,862	595,000	6.5 T.	13,000	77	98	175	7,073	9,002	16,075
Grapes, raisin var.	233,888	1,326,000	5.7 Fr.T.	11,400	62	70	132	14,501	16,372	30,873
Grapefruit	9,954	2,500,000	251 Box	15,060	48	46	94	478	458	936
Lemons	54,418	11,360,000	209 Box	16,302	87	158	245	4,734	8,598	13,332
Oranges, navel & misc.	79,529	15,630,000	197 Box	14,775	49	81	130	3,897	6,442	10,339
Oranges, Valencia	132,394	26,230,000	198 Box	14,850	51	86	137	6,752	11,386	18,138
Olives	26,826	42,000	1.6 T.	3,131	52	104	156	1,395	2,790	4,185
Peaches, cling	44,059	472,000	10.7 T.	21,400	167	95	262	7,358	4,185	11,543
Peaches, freestone	32,843	240,000	7.3 T.	14,600	153	106	259	5,025	3,481	8,506
Pears, Bartlett	34,179	304,000	8.9 T.	17,800	99	98	197	3,384	3,349	6,733
Pears, other	5,142	36,000	7.0 T.	14,000	99	88	187	509	452	961
Plums	23,492	77,000	3.3 T.	6,556	62	106	168	1,457	2,490	3,947
Prunes	102,814	149,000	1.4 d.T.	2,800	47	70	117	4,832	7,197	12,029
Walnuts	110,784	58,000	.52 T.	1,046	34	40	74	3,767	4,431	8,198
Boysenberries&Young.B.	3,800	9,460	2.49 T.	4,980	136	395	531	517	1,501	2,018
Loganberries	650	910	1.4 T.	2,800	120	160	280	78	104	182
Raspberries	155	450	2.9 T.	5,800	152	970	1,122	24	150	174
Strawberries	4,800	7,689,000	1600 12 pt. tray	16,000	290	1,060	1,350	1,392	5,088	6,480
Miscellaneous other	4,871	--	--	--	69	84	149	317	409	726
Total	1,371,618				54	82	146	88,062	112,968	201,033

Labor requirements estimated for bearing fruits and berries range from about 70 hours per acre up to 1,350, with an average of 146 hours, of which 82 hours, or 56%, is for harvesting.

Source: Same as Table IVB-7.

Table IV B10: Estimated Labor Requirements for California Fruits, 1955

	1955 Bearing Acreage	Yield per acre in units	Man Labor, hours per acre			Total Man Labor 1,000 hours		
			Cultural	Harvesting	Total	Cultural	Harvesting	Total
Almonds	100,000	.50 T.	38	45	83	3,800	4,500	8,300
Apples	26,000	325 bu.	135	70	205	3,510	1,820	5,330
Apricots	42,000	3.5 T.	110	130	240	4,620	5,460	10,080
Avocados	17,000	1.5 T.	49	40	89	833	680	1,513
Cherries	10,000	3.5 T.	44	365	409	440	3,650	4,090
Dates	* 5,000	4.0 T.	140	165	305	700	825	1,525
Figs	28,000	3.0 fr.T.	44	87	131	1,232	2,436	3,668
Grapes, wine varieties	163,000	3.5 T.	36	34	70	5,868	5,542	11,410
" table "	97,000	7.1 T.	77	103	180	7,469	9,991	17,460
" raisin "	240,000	6.7 fr.T.	62	67	129	14,880	16,080	30,960
Grapefruit	9,000	215 Box	48	44	92	432	396	828
Lemons	55,000	210 Box	85	150	235	4,675	8,250	12,925
Oranges, navel & misc.	78,000	205 Box	50	80	130	3,900	6,240	10,140
" Valencia	131,000	205 Box	50	85	135	6,550	11,135	17,685
Olives	29,000	2.0 T.	50	120	170	1,450	3,480	4,930
Peaches, cling	48,000	12.0 T.	160	95	255	7,680	4,560	12,240
" freestone	35,000	8.0 T.	150	100	250	5,250	3,500	8,750
Pears, Bartlett	35,000	8.5 T.	95	95	190	3,325	3,325	6,650
" other	5,000	7.2 T.	95	90	185	475	450	925
Plums	25,000	3.5 T.	62	106	168	1,550	2,650	4,200
Prunes	98,000	1.7 ton, dry	47	68	115	4,606	6,664	11,270
Walnuts	120,000	.65 T.	34	36	70	4,080	4,320	8,400
Boysen, Young & Blackberries	*4,000	3.0 T.	130	400	530	520	1,600	2,120
Loganberries	* 400	2.0 T.	120	260	380	48	104	152
Raspberries	* 200	3.0 T.	140	1,000	1,140	28	200	228
Strawberries	6,000	1500 12 pt.trays	290	1,160	1,450	1,740	6,960	8,700
Misc. other	*4,000	---	75	100	175	300	400	700
Total	1,410,600		64	81	145	89,961	115,218	205,179

*Acreage not estimated by fruit subcommittee, so assumed by authors to obtain state total.

Source: Same as Table IVB-7.

TABLE IVB-11 - ESTIMATED LABOR REQUIREMENTS FOR CALIFORNIA FIELD CROPS, 1950

Crop	1950 acreage	Total production in units under yield	Yield per acre: In units	Yield per acre: In pounds	Hours man labor per acre: Cultural	Hours man labor per acre: Harvesting	Hours man labor per acre: Total	Total labor 1,000 hours: Cultural	Total labor 1,000 hours: Harvesting	Total labor 1,000 hours: Total
Corn for grain	42,000	1,596,000	38 bu.	2,128	18	5	23	756	210	966
Corn for silage & forage	39,000		11 T	22,000	20	10	30	780	390	1,170
Wheat	651,000	13,671,000	21 bu.	1,260	3	3	6	1,953	1,953	3,906
Oats for grain	196,000	6,272,000	32 bu.	1,024	3	3	6	588	588	1,176
Barley for grain	1,756,000	60,010,000	34 bu	1,632	3	3	6	5,268	5,268	10,536
Rice	238,000	8,270,000	34.75 cwt	3,475	7	5	12	1,666	1,190	2,856
Grain Sorghum	114,000	4,674,000	41 bu.	2,173	11	5	16	1,254	570	1,824
Beans all	311,000	4,532,000	14.57 cwt	1,457	17	6	23	5,287	1,866	7,153
Cotton, 30% mach. picked	581,000	978,000	805 lbs	805	40	62	102	23,240	36,022	59,262
Flaxseed	59,000	1,416,000	24 bu.	1,344	11	4	15	649	236	885
Potatoes, early	78,000	31,200,000	400 bu.	24,000	24	48	72	1,872	3,744	5,616
Potatoes, late, incl. storage	44,000	15,840,000	360 bu.	21,600	26	55	81	1,144	2,420	3,564
Potatoes, sweet	13,000	1,560,000	120 bu.	6,600	59	70	129	767	910	1,677
Hops	9,300	16,136,000	1,735#dry	6,940fr	136	211	347	1,265	1,962	3,227
Sugar beets	209,000	3,927,000	18.8 T	37,600	58	22	80	12,122	4,598	16,720
Alfalfa Hay	1,058,000	4,973,000	4.7 T	9,400	12	14	26	12,696	14,812	27,508
Alfalfa, new stand	(260,000)	incl.above	-	-	11	-	11	2,860	-	2,860
Alfalfa seed	(115,000)	31,080,000	270#	270	3	6	9	345	690	1,035
Grain Hay	570,000	826,000	1.45 T	2,900	3	4	7	1,710	2,280	3,990
Wild hay	139,000	174,000	1.25 T	2,500	1	4	5	139	556	695
Other hay	158,000	253,000	1.60 T	3,200	3	5	8	474	790	1,264
Safflower	23,000	12,512,000	544#	544	11	5	16	253	115	368
Ladino seed	35,000	4,200,000	120#	120	10	7	17	350	245	595
Irrigated pasture	675,000	6,075,000	9 AUM	-	13	-	13	8,775	-	8,775
New stand irrig. pasture	(100,000)	-	-	-	15	-	15	1,500	-	1,500
Alsike clover seed	3,000	1,380,000	460#	460	6	8	14	18	24	42
Sudan grass seed	11,000	8,000,000	730#	730	15	6	21	165	66	231
Sudan grass pasture	125,000	625,000	5 AUM	-	10	-	10	1,250	-	1,250
Castor beans	2,400				20	7	27	48	17	65
Purple vetch seed	36,000	8,800,000	245#	245	4	5	9	144	180	324
Austrian winter peas	6,000	3,300,000	550#	550	4	5	9	24	30	54
Canadian peas	5,500	3,300,000	600#	600	4	4	8	22	22	44
Sunflower seed	4,000	2,300,000	575#	575	6	6	12	24	24	48
Other veg.& flower seed	70,000				25	20	45	1,750	1,400	3,150
Total	7,261,200				13	11	24	91,158	83,178	174,336

Acreages for new stand alfalfa and irrigated pasture and alfalfa seed are shown in parentheses and not included in total, since they were included in the alfalfa and irrigated pasture acreages, and labor shown separately is merely the additional labor for this year or for seed harvest.

Source: Same as Table IVB-7.

TABLE IVB-12 - ESTIMATED LABOR REQUIREMENTS FOR CALIFORNIA FIELD CROPS FOR 1955

Crop	1955 Acreage	Yield per Acre		Hours of Man Labor per Acre			Total Labor, 1000 Hours		
		in Units	in Pounds	Cultural	Harvesting	Total	Cultivation	Harvesting	Total
Corn for grain	35,000	35 bu.	1,960	17	5	22	595	175	770
Corn for silage & forage	35,000	12 T	24,000	18	8	26	630	280	910
Wheat	710,000	16.7 bu.	1,002	3	3	6	2,130	2,130	4,260
Oats for grain	169,000	29.4 bu.	941	3	3	6	507	507	1,014
Barley for grain	1,730,000	32 bu.	1,536	3	3	6	5,190	5,190	10,380
Rice	250,000	-	3,450	7	4	11	1,750	1,000	2,750
Grain sorghum	110,000	37.5 bu.	1,988	11	4	15	1,210	440	1,650
Beans, all	320,000	-	1,500	17	6	23	5,440	1,920	7,360
Cotton, est. 80% machine picked	1,250,000	-	750	36	29**	65	45,000	36,250	81,250
Flaxseed	60,000	25.9 bu.	1,450	11	4	15	660	240	900
Potatoes, early	50,000	440 bu.	26,400	24	45	69	1,200	2,250	3,450
Potatoes, late	40,000	375 bu.	22,500	26	50	76	1,040	2,000	3,040
Potatoes, sweet	*12,000	125 bu.	6,875	58	68	126	696	816	1,512
Hops	9,400	-	1,600	135	200	335	1,269	1,880	3,149
Sugar beets	175,000	19.6 T	39,200	52	17	69	9,100	2,975	12,075
Alfalfa hay	1,150,000	4.75 T	9,500	12	12	24	13,800	13,800	27,600
Alfalfa, new stand	(*290,000)	-	-	11	0	11	3,190	-	3,190
Alfalfa seed	(90,000)	-	451	3	5	8	270	450	720
Grain hay	711,000	1.56 T	3,120	3	4	7	2,133	2,844	4,977
Wild hay	190,000	1.26 T	2,520	1	3	4	190	570	760
Other hay	160,000	1.70 T	3,400	3	5	8	480	800	1,280
Safflower	16,000	-	2,000	11	5	16	176	80	256
Ladino seed	55,000	-	150	10	6	16	550	330	880
Irrigated pasture	800,000	9 A.U. Mo.	-	12	0	12	9,600	-	9,600
New stand irrig. pasture	(*110,000)	-	-	12	0	12	1,320	-	1,320
Alsike clover seed	*2,500	-	460	6	7	13	15	18	33
Sudan grass seed	*10,000	-	800	10	5	15	100	50	150
Sudan grass pasture	135,000	5.5 A.U.Mo.	-	10	-	10	1,350	-	1,350
Castor beans	20,000	-	2,000	20	7	27	400	140	540
Winter cover crop seeds	65,000	-	600	4	4	8	260	260	520
Sunflower seed	*3,000	-	600	6	6	12	18	18	36
Other veg. & flower seeds	*70,000	-	-	25	20	45	1,750	1,400	3,150
Total	8,342,900			13	10	23	112,019	78,813	190,832

*Acreage not estimated by committee but merely assumed to complete calculations.
**Cotton harvesting reduced from average of 40 hours per acre in 1950, with 30% machine picked, to 29 hours in 1955, with 80% machine picked.

Source: Same as Table IVB-7.

Table IVB 13. Estimated Labor Requirements for California Vegetables for 1950

Crop	Acreage 1950	Total production in units under yield	Yield per acre: In units	Yield per acre: In pounds	Man labor per acre, hrs.: Cultural	Man labor per acre, hrs.: Harvesting	Man labor per acre, hrs.: Total	Total man labor, 1,000 hours: Cultural	Total man labor, 1,000 hours: Harvesting	Total man labor, 1,000 hours: Total
Artichokes	7,000	700,000	100 box	4,000	41	64	105	287	448	735
Asparagus, mkt.& proc.	71,700	88,940	1.24 T.	2,480	31	66	97	2,223	4,732	6,955
Asparagus, nonbearing	6,800	-	-	-	65	-	65	442	-	442
Beans, snap, processing	2,100	12,800	6.1 T.	12,200	121	417	538	254	876	1,130
Beans, snap, market	7,600	1,920,000	250 crate	7,500	96	240	336	730	1,824	2,554
Beans, green lima, proc.	20,100	24,620	1.22 T.	2,440	40	26	66	804	523	1,327
Broccoli (field seed 65%)	19,000	1,900,000	100 crage	4,200	51	68	119	969	1,292	2,261
Brussels sprouts	5,407	20,264	3.7 T.	7,495	80	260	340	432	1,406	1,838
Cabbage	8,200	85,300	10.4 T.	20,800	36	46	82	295	377	672
Cantaloupes & misc.	53,200	8,399,000	158 crate	9,480	43	38	81	2,287	2,022	4,309
Carrots	27,000	7,664,000	284 crate	24,120	60	244	304	1,620	6,588	8,208
Cauliflower	15,800	5,960,000	377 crate	13,949	59	78	137	932	1,232	2,164
Celery	13,900	10,460,000	752 crate	48,800	220	200	420	3,058	2,780	5,838
Cucumbers, market	2,600	858,000	330 bushel	13,440	72	95	167	187	247	434
Cucumbers, processing	2,830	24,200	7.9 T.	15,800	35	295	330	99	835	934
Garlic	2,250	169,000	75 cwt.	7,500	157	100	257	353	225	578
Lettuce	129,500	23,442,000	181 crate	11,970	63	30	93	8,159	3,885	12,044
Onions	13,100	7,542,000	576 bag	28,800	63	85	148	825	1,114	1,939
Peas, processing	7,870	9,400	1.19 T.	2,380	15	19	34	118	150	268
Peas, market	13,150	1,547,000	118 bushel	3,540	26	128	154	342	1,683	2,025
Peppers, bell	2,400	1,128,000	470 bushel	11,750	71	90	161	170	216	386
Peppers, chili, dried	3,930	3,850	- T.	1,960	67	168	235	263	660	923
Spinach,proc.(all mech.harv.)	7,340	40,400	5.5 T.	11,000	37	8	45	272	58	330
Spinach,market(part " ")	4,500	1,732,000	385 bushel	6,930	40	80	120	180	360	540
Squash, soft	6,000	-	380 lug	10,000	40	100	140	240	600	840
Sweet corn	20,000	3,000,000	150 crate	8,000	37	55	92	740	1,100	1,840
Tomatoes, processing	75,520	959,100	12.7 T.	25,400	46	130	176	3,474	9,818	13,292
Tomatoes, market	30,600	11,494,000	380 lug	12,160	87	130	217	2,662	3,978	6,640
Watermelons	19,500	123,300	6.3 T.	12,600	52	30	82	1,014	585	1,599
Misc. other vegetables	15,500	-	-	-	100	200	300	1,550	3,100	4,650
Total other vegetables	614,397				57	86	143	34,981	52,714	87,695

Source: Same as Table IVB-7.

Table IVB 14. Estimated Labor Requirements for California Vegetables for 1955

Crop	Acreage 1955	Yield per acre: In units	Yield per acre: In pounds	Man labor per acre, hours: Cultural	Man labor per acre, hours: Harvesting	Man labor per acre, hours: Total	Total man labor, 1,000 hours: Cultural	Total man labor, 1,000 hours: Harvesting	Total man labor, 1,000 hours: Total
Artichokes	* 7,000	110 box	4,400	41	64	105	287	448	735
Asparagus, mkt. & proc.	75,000	1.32 T.	2,640	31	62	93	2,325	4,650	6,975
Asparagus, nonbearing	* 7,500	-	-	60	-	60	450	-	450
Beans, snap, processing	* 2,400	6 T.	12,000	120	400	520	288	960	1,248
Beans, snap, market	* 5,000	260 30#cr.	7,800	90	240	330	450	1,200	1,650
Beans, green lima, proc.	*22,000	1.3 T.	2,600	40	26	66	880	572	1,452
Broccoli, proc. & market	*20,000	120 cr.	5,040	45	60	105	900	1,200	2,100
Brussels sprouts	* 4,000	4 T.	8,000	75	320	395	300	1,280	1,580
Cabbage	* 8,000	11 T.	22,000	36	40	76	288	320	608
Cantaloupes & misc.melons	50,000	160 cr.	9,600	43	37	80	2,150	1,850	4,000
Carrots	25,000	290 cr.	24,620	55	220	275	1,375	5,500	6,875
Cauliflower	*15,000	380 cr.	14,200	57	70	127	855	1,050	1,905
Celery	14,000	760 cr.	49,400	200	180	380	2,800	2,520	5,320
Cucumbers, market	* 2,600	340 bu.	13,600	72	95	167	187	247	434
Cucumbers, processing	* 2,800	8.0 T.	16,000	35	290	325	98	812	910
Garlic	* 2,000	75 cwt.	7,500	155	100	255	310	200	510
Lettuce	124,000	180 cr.	11,880	60	25	85	7,440	3,100	10,540
Onions	*13,000	600 50#bag	30,000	60	80	140	780	1,040	1,820
Peas, processing	* 6,000	1.3 T.	2,600	15	19	34	90	114	204
Peas, market	* 6,000	120 bu.	3,600	20	110	130	120	660	780
Peppers, bell	* 2,400	480 bu.	12,000	70	90	160	168	216	384
Peppers, chili, dried	* 3,000	1 T.	2,000	67	170	237	201	510	711
Spinach, proc.	* 7,000	6 T.	12,000	35	8	43	245	56	301
Spinach, market	* 3,000	400 bu.	7,200	40	60	100	120	180	300
Squash, soft	* 6,000	380 lug	10,000	40	100	140	240	600	840
Sweet corn	*20,000	160 cr.	8,500	37	55	92	740	1,100	1,840
Tomatoes, processing	110,000	16 T.	32,000	44	130	174	4,840	14,300	19,140
Tomatoes, market	30,000	400 lug	13,000	70	120	190	2,100	3,600	5,700
Watermelons	*15,000	7 T.	14,000	50	32	82	750	480	1,230
Misc. other vegetables	15,000	-	-	100	200	300	1,500	3,000	4,500
Total vegetables	622,700			53	83	136	33,277	51,765	85,042

* Acreage not estimated by committee so merely assumed to complete calculations.

Source: Same as Table IVB-7.

Table IV B15: Estimated Labor Requirements for California Livestock & Poultry, 1950

	Number or average no. for year	Animal Unit Years (4800# TDN) Each	Animal Unit Years (4800# TDN) Total	Hours per Head	Hours per Animal unit	Total 1,000 hours
Cattle						
Beef cattle in breeding herds	559,000 cows	1.8	1,006,200	15	8	8,385
Beef cattle on feed	300,000 av.	.9	270,000	6	7	1,800
Dairy cattle, including calves & young stock	777,000 cows	1.46	1,134,420	100	68	77,700
Total cattle			2,410,620			87,885
Sheep						
Sheep & lambs in breeding flocks	1,340,000 ewes	.26	348,400	4	15	5,360
Lambs on feed	150,000 head	.17	25,500	3	18	450
Sheep shorn	2,099,000 head	-		.15		315
Total sheep			373,900			6,125
Swine						
Total swine raised	74,000 sows	1.6	118,400	55	34	4,070
Horses, mules & colts	116,000 head	1.1	127,600	35	32	4,060
Turkeys						
Breeding hens & toms	561,000 hens	.017	9,537	3.0	176	1,683
Turkeys raised	No. 7,035,000	.016	112,560	.6	38	4,221
Total turkeys			122,097			5,904
Chickens						
Laying hens & replacements	17,381,700 hens	.021	365,016	2.0	95	34,763
Commercial broilers raised	No.23,484,000	.0022	51,665	.15	68	3,523
Total chickens			461,681			38,286
Rabbits, breeding does	300,000 does	.071	21,300	15	211	4,500
Bees, colonies	451,000	-	-	3	-	1,353
Miscellaneous other animals			1,500		30	45
Total livestock and poultry			3,592,098		42	152,228

Young stock in breeding herds and produced there and transferred elsewhere till "put on feed" are included in the labor estimates per cow, ewe, and sow, since our available labor data are on this basis.

Source: Same as Table IVB-7.

Table IV B16: Estimated Labor Requirements for California Livestock and Poultry, 1955

	Number or average no. for year	Animal Unit Years (4800# TDN) Each	Animal Unit Years (4800# TDN) Total	Hours per Head	Hours per Animal unit	Total 1,000 hours
Cattle						
Beef cattle in breeding herds	670,000 cows	1.7	1,139,000	14	8	9,380
Beef cattle on feed	462,000 hd.yr.	.8	369,600	6	7	2,772
Dairy cattle, including young stock	804,000 cows	1.43	1,149,720	96	66	77,184
Total cattle			2,658,320			89,336
Sheep						
Sheep and lambs in breeding flocks	1,600,000 ewes	.26	416,000	4	15	6,400
Lambs on feed	180,000 hd.	.17	30,600	3	18	540
Sheep shorn	2,480,000 hd.	--	---	.15	-	372
Total sheep			446,600			7,312
Swine						
Sows and all young stock	78,000 sows	1.6	124,800	54	33	4,212
Horses, mules & colts	100,000	1.1	110,000	35	32	3,500
Turkeys						
Breeding hens & toms	800,000 hens	.016	12,800	3.0	188	2,400
Turkeys raised	12,000,000	.013	156,000	.55	42	6,600
Total turkeys			168,800			9,000
Chickens						
Laying hens & replacements	19,000,000	.021	399,000	1.8	86	34,200
Commercial broilers raised	36,000,000	.0022	79,200	.13	59	4,680
Total chickens			478,200			38,880
Rabbits, breeding does	300,000*	.071	21,300	15	211	4,500
Bees, colonies	500,000*	----	--	3		1,500
Miscellaneous other animals	--		1,500		20	30
Total			[illegible]		39	[illegible]

*Not estimated by committee, but was assumed by the authors.

With more animals in every class except horses, labor requirements will be higher in 1955 despite a reduction in labor requirement per animal through better methods, housing and equipment.

Source: Same as Table IVB-7.

and the farm economy. Second, net rent to nonfarm landlords has declined sharply and almost identically in both segments since the net income peak of 1951.

Total Factor Productivity.--The approximate tripling of gross on-farm value of agricultural production in California reflects essentially the same pattern of increased dollar value of farm income as that which has occurred in the remainder of the United States agricultural economy. In California, farm income has tended to localize in the San Joaquin Valley to an increasing degree. The geographic pattern of agricultural production has paralleled the income pattern shift. Generally, agricultural value of output has not declined in most California counties. There has been a relative increase in the San Joaquin Valley, in which 3 counties together regularly produce a farm income in excess of that produced by some 43 of the other states of the nation.

Tables IIA-8 and IVA-3 indicate that deflated net farm income has fallen relatively more for the United States than for California. Deflating by the Wholesale Price Index, gross farm income was less than the 1947-1949 base period magnitude nationally from 1954 through 1957 and again in 1959. Deflated farm prices were 26 per cent below the base period in 1959. Deflated production expense for the United States had risen by 20 per cent and realized net farm income was down 23 per cent. But net farm income was 10 per cent higher in California.

The remarkable increase in factor productivity in American agriculture generally has been paralleled in California. Crude productivity indices since 1941 indicate large increases in deciduous fruits, potatoes, tomatoes, strawberries, milk, and eggs. Generally speaking, the productivity indices--with all their deficiencies--indicate significantly higher increases in California than in the rest of the nation. Regardless of the input factor in terms of which such average outputs are measured, California seems to stand well above the other producing areas. Thus, the average output per acre of cropland has increased about 31 per cent in California since 1940, against an average for the United States of about 19 per cent.

Productivity data, even of the crude average output per unit of input type, are not generally available for California farm production. Comparative data are available for the Pacific states and the entire United States farm economy. These are shown in Table IVB-17. Farm output has increased more rapidly since 1925 in the West. Since 1945-1949, farm output has risen by one-fourth in the Pacific region, against 14 per cent for the nation. There has been an 11 per cent increase in land used for crops in the Pacific area since 1925-1929, with

TABLE IVB-17

Index Numbers of Farm Output, Cropland Used, Man-Hours of Farm Labor and Crop Production Per Acre and Man-Hour United States and Pacific Region, 1925-1957

Years	Farm output		Cropland used		Man-hours of farm labor		Production per acre		Production per man-hour	
	Pacific	United States	Pacific	United States	Pacific	United States	Pacific	United States	Pacific	United States
	1947-1949 = 100									
1925-1929	58	73	90	99	99	137	63	72	58	53
1930-1934	63	71	93	100	102	131	67	70	62	55
1935-1939	74	76	94	99	106	123	78	75	70	62
1940-1944	86	91	91	98	106	120	92	91	81	76
1945-1949	99	99	98	99	102	104	100	99	97	95
1950-1954	114	105	100	100	98	89	113	104	117	119
1955-1957	124	113	100	97	98	82	122	109	126	137

Source: Journal of Farm Economics, vol. 39, no. 4, November, 1957, "Farm Technology and the Race with Population," by R. G. Bressler, Jr., pp. 849-864; Table 3, p. 854; also, U. S. Agricultural Research Service, Changes in Farm Production and Efficiency, August, 1958.

no real change in total United States cropland. Neither the United States nor California has really increased total land base since 1950. Inputs of labor in the Pacific region have declined 8 index points since the peak in 1935-1939. Labor inputs for the United States farm economy have declined in man-hour inputs by 55 index points since 1925-1929. Production per acre in the Pacific has risen 59 index points since 1925-1929, against 37 index points for the nation. Since 1947-1949, Pacific production per acre has risen 22 per cent, against 9 per cent for the nation. Since 1925-1929, production per man-hour has gone up by 68 index points for the Pacific region, against 84 index points for the nation. In 1955-1957, production indices per man-hour were respectively 26 and 37 index points higher than the 1947-1949 base for the Pacific and the nation.

Thus, Pacific output has grown faster; cropland area has been stable for 20 years; labor inputs have declined relatively more in the nation than in the Pacific zone; the Pacific shows a greater increase in production per acre; and the nation shows a higher increase in average output per unit of labor. These differences reflect the differential applicability of labor-saving innovations in the crops in which the Pacific area is dominant.

Capital Productivity.--The large increase in California real output reflects changes in the average size of the enterprise, average capital input, and the distribution of capital among input factors. Investment per wage earner in California now runs about $14,000, with very wide variation among individual farms, ranging up to as much as $50,000 per wage earner on some enterprises. It also reflects heavy investment in irrigation and a concomitant development of heavily capitalized collateral industries like transportation directly related to California agricultural production. Accordingly, the California farm economy represents a massive market for all types of capital inputs.

Nearly all of the farms in California--an estimate of about 119,000 of them--are equipped with electricity and water. There have been heavy outlays for farm automobiles, tractors, trucks, grain combines, balers, harvesters, and a variety of other inputs. Generally speaking, California has been a leader in farm mechanization despite the basic limitations affecting many of its crops. Developments in power sweepers for nuts and prunes, mechanical harvesting of grapes and tomatoes, pneumatic pruning, systemic insecticides, and various bulk-handling devices are examples of a continuous quest for higher-productivity capital inputs.

As indicated above, in the American agricultural economy as a whole and with 1935-1939 as a base period, wages have increased some fivefold and are still increasing. The cost per unit of power and machinery has doubled and is also still

increasing. Fertilizer prices per unit have leveled off at about one and one-half times the base value. Among major inputs, the price of feed is about the only one which has declined below its highest postwar level. In all likelihood, input prices may be expected to rise. In part, these factor prices are determined by their relative productivities in other industries and by the general levels of monetary demand in the economy as a whole. Since the average annual increases in general productivity in the American economy seem again to be increasing at the rate of nearly 3 per cent per year, it is reasonable to expect continued increases in general economic productivity for capital which at some stage or mother may be used in California agriculture. General expansion of the economy also seems to be a reasonable expectation. It is, therefore, reasonable to assume almost continued increases in the prices of inputs into California agriculture.

All evidence available indicates that the increase in capital productivity in California agriculture has been at least as great as the large increase which has occurred in other agricultural areas. Again, in both the United States agricultural economy and the California farm economy, the potential with respect to real output from known but unused technologies is generally considered to be even greater. Current trends indicate continued pressure toward greater scale of enterprise, more complex methods of production, and even higher capitalization of farms. Closer technological coordination at the farm level with processing and distribution also appears to be developing. New technologies and merchandising methods in processing, wholesaling, and retailing seem already to have had significant effects on the organization and capital structure of California farms. California agriculture has always been a highly capitalized industry. The outlook is for even greater concentration of capital inputs.

With the obvious increase in factor mobility among regions and industries, farm wage rates will--like prices of purchased farm inputs--be tied directly to labor productivity in nonfarm areas and industries. Pressure for labor substitutes will continue. Realized wages and shares in farm labor should even more closely approximate the equalitarian pattern now clear in other industries.

Labor Productivity.--The rather scanty data indicate that California remains dependent on labor in some segments of the California agricultural economy to a greater extent than is true of other areas in which different commodities are produced. Nonetheless, the magnitude of capital inputs has grown immensely. As an example, California farmers in 1954 spent 314 million dollars on commercial

feed, 70 million dollars on commercial fertilizer, and more than 50 million dollars per year on pest control. Other capital inputs are estimated as follows: 149,000 tractors; 130,000 motor trucks; 10,000 grain combines; 8,000 pick-up hay balers; 3,000 field forage harvesters; 640 corn pickers; 5,000 mechanical cotton pickers; and about 500 aircraft pilots who applied pest control materials to 5.5 million acres in California last year.

The apparently lower productivity of farm labor in California as compared with the nation partly reflects different kinds of labor inputs, especially in harvesting. It also reflects the differences in demands for California and national farm products. But perhaps it also reflects a relatively greater input of labor which, logically, would be expected to result in somewhat lower realized productivity. And, in part, the necessity to use averages beclouds the facts.

Factor Returns and Distributive Shares

Relative little data are available with respect to productivity, returns per unit of input, or distributive shares on factors used in California. Much more detailed data are available with respect to the national economy and the national agricultural sector. It is, apparently, reasonably safe to assume that the general pattern shown in the national economy is closely similar to those which would be shown in California were further quantitative data available, with the exceptions noted above.

Returns on Capital.--Reference back to Table IIC-1 will provide a quick summary of one measure of rate of return on farmer equities in agriculture in the United States and in California, and thereby provide one basis for comparison. As indicated above, farmers return on their equities invested in agriculture rose during the war and early postwar years, then dropped off rapidly for a few years, so that by 1950, returns were almost back down to the 1940 level. In 1951, American farmers were receiving returns moderately higher than in 1940, with their incomes representing about 11 per cent of their equities. From 1951 to 1957, there was a further sharp decline in the return situation, with the rate dropping almost one-third in those few years. In recent years, the rate of return of realized net income to farmer equities has fluctuated around 7 or 8 per cent. Thus, in summary over the whole period, the return on capital decreased by one-fourth from the 1940 rate of 10 per cent to the current level of approximately 7.6 per cent.

California farmers shared in these general trends, but their gains were somewhat more pronounced in two of the war years. In 1940, farmers equities in

California were approximately 2.5 billion dollars. By 1952, equities exceeded 10 billion dollars and in 1957 were approaching 13 billion dollars. The ratio of income to equity rose rapidly at the outbreak of World War II from 8.5 per cent to 13.2 per cent in 1941. The peak was reached in 1943, at a ratio of 18.9. The rate dropped in 1944 to 17.1 per cent. These are the only two years since 1940 in which the ratio of income to equity in California agriculture was higher than the national average.

The per-farm income in California has been roughly three times that in other areas. The inputs of capital per farm were larger in California. Even with the high income accruing to California farmers, the rate of return on investment is relatively low. By the end of 1947, the rate had dropped to a range between 9 and 10 per cent and remained there through 1951. There was no bulge in rate of return on equity in California agriculture during the Korean War. From 1952 onward, the rate of return on equity invested in California agriculture has dropped substantially. From a level of 8.8 per cent in 1952, the rate declined to 6.7 per cent in 1957.

The rate of return to capital investment in California has been much lower than in other functional levels of the food industry. The rate has been lower than that in the processing segments of the food trades and substantially beneath the prevailing rates in wholesaling and distributing.

As a summary statement, realized net income increased 340 per cent in absolute undeflated dollars in California agriculture from 1940 to 1951. Farmers equities increased by 261 per cent. The rate of return increased 22.1 per cent. The apparently higher increase in California than in the national economy represented the lower rate of return prevailing in California in 1940 as compared to the United States average rate. From 1951 to 1956-57, realized net income declined in California agriculture by 6.5 per cent as opposed to 24 per cent for the national economy. Farm proprietor equities in California increased by 34 per cent against a 12 per cent increase on the national basis. The ratio of income to equity, an index of earning on capital in agriculture, declined by 31 per cent in California, against a 32 per cent fall in the national economy for farming. The over-all summary for 1940 through 1956-57 indicates a much larger increase in real income for California, a very much larger increase in farmers equities, and a rather smaller decline in the average rate of return than that which prevailed in the nation as a whole.

These rates do not represent a clear or net return on investment in California agriculture, since the entire income from the farming enterprise is considered in developing these estimates. Ideally, some deduction should be made to allow for the unpaid labor of farm proprietors and their families. To this extent, the rates reported in Table IIC-1 are overstated. However, separation of capital and operator-labor income by assigning an arbitrary return on capital may distort the relation of estimated distributive shares, as noted above. Even with the overstatement of returns to capital invested in agriculture, these rates are substantially lower than those which prevail in the nonfarming segments of the food industry and also below those which prevail in other farming sectors of the American economy. It is possible that a partial explanation may lie in future prospects of sale of at least some agricultural land for nonagricultural purposes.

The Internal Revenue Service reported on earnings for 13,000 food and beverage processors in 1957. Their average rate of return was 15.2 per cent, as compared with the 18.7 per cent earned by the 50 selected companies to which reference was made above. In 1951, the general rate of return in food and beverage processing industries was 15.4 per cent, while the 50 selected firms to which reference is made above were earning 17.9 per cent. Nevertheless, regardless of the bases of calculation used, returns on investment in farming appear to have been substantially lower than those in other parts of the food industry and also other industries generally.

The following conclusions may be drawn. Return on capital in American farming is substantially below that obtained in other industries. The proportionate share of the national dividend going to ownership and to proprietorship has declined sharply in the past 30 years. The same basic pattern appears in the analysis of returns to capital in American agriculture generally. Return to capital in California agriculture has been below that of American farming generally except for two wartime years. The decline has been consistent. Accordingly, it is difficult to conclude in the face of these data that all of the efficiencies of input of capital have been passed to the owners of capital instruments in California farming.

Table IVC-1 indicates that about two-thirds of gross California farm income is expended for off-farm paid inputs. Conversely, production expenses are about 200 per cent of net farm income. The distributive share to hired farm labor is included in production expense. The wage bill, or distributive share to hired labor, was about 460 million dollars for 1958. This is about 58 per cent of total current operating expenses. Taxes were 11 per cent, a rough approximation of government's distributive share. Net rent to nonfarm landlords was about 60 million dollars, a relatively minor share.

An approximation of income distribution in California farming for 1949 and 1958 is developed in Table IVC-2. This analysis parallels that set out for the national economy in Table IIC-8. It is afflicted with the same difficulties. The total net income is calculated by the same methods as those used in estimating the balance sheet of agriculture. The total net income figures are total gross income from California farming minus production expenses other than hired labor, net rent to off-farm landlords, and interest on farm mortgage debt. Subtraction of these three expense categories from income as defined here yields operators income for labor, management, and proprietorship.

As calculated, there was an increase of 17.7 per cent in wages paid to hired labor by California farmers from 1949 to 1958. At the same time, there was an apparent increase in returns to operators for their labor, management, and proprietary ownership of 30.7 per cent. It is not possible to separate these three categories of income with available data. In 1949, hired labor received 32.1 per cent of income as defined here, dropping 2.3 points to 29.8 per cent in 1958. The change in relative inputs of labor, operator's labor and management and operator's proprietary interest cannot readily be determined.

There are indications that land values rose substantially in the last two decades but not necessarily because of higher earnings or productivity but perhaps because of expected future appreciation in nonfarm uses. Table IVC-3 indicates that crop production per acre rose more in the Pacific region than in the nation, but this is no measure of relative land productivity. Table IVC-4 indicates California land values rose about 110 per cent from 1929 to 1957; 250 per cent from 1940 to 1957; 157 per cent from 1940 to 1951; and 36 per cent from 1951 to 1957. Irrigated land rose most and grazing land least over the long run. These are not, however, distributive shares but rather evaluations of expected future income or appreciation or both.

TABLE IVC-1

Relative Importance of Farm Production Expense to Total and Net Cash Farm Income, California, 1940-1956

Year	Farm production expense	Total cash farm income	Net cash farm income	Production expense as per cent of total cash farm income	Production expense as per cent of net cash farm income
	millions of dollars				
1940	490.5	719.5	229.0	68.2	214.2
1941	468.0	932.6	364.6	50.2	128.4
1942	706.2	1,223.5	517.3	57.7	136.5
1943	880.4	1,609.9	729.5	54.7	120.7
1944	954.7	1,788.3	833.6	53.4	114.5
1945	1,063.6	1,847.3	783.7	57.6	135.7
1946	1,158.7	2,205.7	1,047.0	52.5	110.7
1947	1,332.0	2,163.9	831.9	61.6	160.1
1948	1,455.5	2,160.1	704.6	67.4	206.6
1949	1,414.6	2,115.1	700.5	66.9	201.9
1950	1,550.9	2,326.8	775.9	66.7	199.9
1951	1,745.4	2,804.6	959.2	65.8	192.4
1952	1,830.1	2,761.0	930.9	66.3	196.6
1953	1,751.0	2,669.7	918.7	65.6	190.6
1954	1,765.1	2,555.0	789.9	69.1	223.5
1955	1,781.9	2,684.2	899.3	66.5	198.5
1956	1,803.0	2,856.9	953.9	66.6	199.5

Source: Davis, Irving F., An Economic Analysis of Saving in Agriculture with Special Reference to California, unpublished Ph.D. dissertation, Department of Agricultural Economics, University of California, Berkeley, December, 1958, pp. 306-307.

TABLE IVC-2

Distribution of Income from California Agriculture, 1949 and 1958

	1949	1958	Change from 1949 to 1958
	million dollars		per cent
Income from agriculture before specified production expenses	1,235.0	1,567.5	+ 26.9
Wages to hired labor (cash and perquisites)	396.7	466.9	+ 17.7
Net rent to landlords not living on farms	61.3	62.5	+ 2.0
Interest on farm mortgage debt	20.7	49.4	+ 138.6
Income of farm operators for labor, management, and ownership	756.3	988.8	+ 30.7
	per cent distribution		
Gross income from agriculture before specified production expenses	100.0	100.0	0
Wages to hired labor (cash and perquisites)	32.1	29.8	- 7.2
Net rent to landlords not living on farms	5.0	4.0	- 20.0
Interest on farm mortgage debt	1.7	3.1	+ 82.4
Income of farm operators for labor, management, and ownership	61.2	63.1	+ 3.1

Source: Basic data from U. S. Agricultural Marketing Service, The Farm Income Situation, September, 1959, Table 4, p. 31; and USDA, Production Expenses of Farm Operators, by States, 1949-1958, October, 1959. These data were then recombined to match United States classifications as used in the Balance Sheet of Agriculture (see Table IIC8).

TABLE IVC-3

Crop Production Per Acre of Cropland Used for Crops and Farm Output: Index Numbers, United States and Pacific Region, 1944-1958

Year	United States		Pacific region	
	Crop production per acre	Farm output	Crop production per acre	Farm output
	(1947-1949 = 100)			
1944	96	97	95	93
1945	95	96	95	93
1946	101	98	105	101
1947	95	95	100	98
1948	106	104	100	100
1949	99	101	100	102
1950	97	100	106	105
1951	98	103	112	111
1952	103	107	116	116
1953	103	108	115	118
1954	101	108	117	120
1955	106	112	118	120
1956	109	113	123	125
1957	112	113	126	127
1958	126	124	126	129

Source: U. S. Department of Agriculture, Agricultural Statistics, 1958, Tables 647 and 648.

TABLE IVC-4

Index Numbers of Average Value Per Acre of Farm Real Estate, California 1929, 1940, 1951, and 1957

Year	Land, total	Irrigated	Dry farming	Grazing
	index number, 1947-1949 = 100			
1929	70	73	57	71
1940	42	41	41	44
1951	108	106	109	112
1957	147	149	144	141
	percentage change			
1940 to 1951	+157	+159	+166	+155
1951 to 1957	+ 36	+ 41	+ 32	+ 26
1929 to 1957	+110	+104	+153	+ 99
1940 to 1957	+250	+263	+251	+220

Source: U. S. Agricultural Research Service, Current Developments in the Farm Real Estate Market, ARS 43-101 (CD-52), May, 1959, pp. 25, 31-33; ARS 43-32 (CD-43), March, 1956, p. 21 and p. 19; (CD-32), July, 1952, p. 11; and (CD-31), March, 1952, p. 17.

TABLE IVC-4

Index Numbers of Average Value Per Acre of Farm Real Estate, California 1929, 1940, 1951, and 1957

Year	Land, total	Irrigated	Dry farming	Grazing
	index number, 1947-1949 = 100			
1929	70	73	57	71
1940	42	41	41	44
1951	108	106	109	112
1957	147	149	144	141
	percentage change			
1940 to 1951	+157	+159	+166	+155
1951 to 1957	+ 36	+ 41	+ 32	+ 26
1929 to 1957	+110	+104	+153	+ 99
1940 to 1957	+250	+263	+251	+220

Source: U. S. Agricultural Research Service, Current Developments in the Farm Real Estate Market, ARS 43-101 (CD-52), May, 1959, pp. 25, 31-33; ARS 43-32 (CD-43), March, 1956, p. 21 and p. 19; (CD-32), July, 1952, p. 11; and (CD-31), March, 1952, p. 17.

Table IVC-5 indicates that average value per farm had risen to about $70,000 by 1956. Farm buildings on the average were about one-ninth of total farm value. Another index of land values is shown in Table IVC-6. An investment of $100 in 1940 would have sold in 1955 at $340 if invested in common stock, $311 if invested in an urban dwelling, and $436 if invested in an average California farm. Thus, farm land has appreciated more than other assets. The increase, however, is some unknown function of income productivity, expectation of continued inflation, and perhaps pressure of population.

It must be concluded that distributive shares to hired labor can be approximated and their relative increases at least roughly compared to indices of labor productivity. The same broad comparisons can be made for other factors. It is not possible effectively to measure the changes in shares to ownership, management, and labor by operators of California farms. The relative shares to these three components combined appear to have increased less than hired labor shares over the long pull but to have increased relatively more in the last decade.

It is clear that labor is about twice as important an input in California farming as in United States farming. Table IVC-7 indicates that California farms produced 8 per cent of the value of all farm products in the United States in 1944 and 1949 and more than 9 per cent in 1954. In those three years, California farmers paid 16.2, 15.6, and 18.0 per cent of United States wages to hired labor. In California, the wage bill for hired labor was 21.1, 21.8, and 18.2 per cent of the value of farm products sold respectively in 1944, 1949, and 1954. For the same years, the national farm ratios were 10.3, 11.0, and 9.2 per cent of national value of farm products sold. Thus, labor compared to other inputs was twice as important in California--or alternatively stated, received twice the national average share of gross farm income.

These relationships may be seen by comparing Figures IVB-1, for the United States farm economy, and Figure IVB-2 for the California farm economy. The figures are so scaled that the heights of the lines reflect relative importance and share of production expense to the factors. The differences in their slopes represent differences in rates of change from 1949 to 1958. The implications with respect to the national and farm economies can be summarized as follows:

1. Interest on farm mortgage was equally important and changed identically--so probably were not determined by farm productivity alone.
2. Seed was more important as an input nationally but changed identically.
3. Net rent to nonfarm landlords was less important in California and downtrended after 1952 more sharply in California.

TABLE IVC-5

Value of Farm Real Estate, California, 1940 to 1956

As of March 1	Number of farms	Acres in farms[a/]	Acres per farm	All farm land			Value of farm buildings	Value of farm land only
				Value per acre	Total value	Value per farm		
	thousands			dollars	millions of dollars	dollars	millions of dollars	
1940	141	30,524	216	70.97	2,166	15,362	380	1,786
1941	141	31,430	223	71.51	2,248	15,943	384	1,864
1942	139	32,336	233	78.53	2,539	18,266	409	2,130
1943	140	33,242	237	91.58	3,044	21,743	475	2,569
1944	141	34,148	242	112.30	3,835	27,199	594	3,241
1945	142	35,054	247	133.90	4,694	33,056	710	3,984
1946	142	35,366	249	156.85	5,547	39,063	834	4,713
1947	143	35,678	250	169.70	6,055	42,343	886	5,169
1948	143	35,990	251	167.69	6,035	42,203	906	5,129
1949	144	36,301	252	159.64	5,795	40,243	862	4,933
1950	144	36,613	254	154.32	5,650	39,236	870	4,780
1951	142	36,909	260	181.32	6,692	47,127	945	5,747
1952	139	37,204	268	209.93	7,810	56,187	1,112	6,698
1953	137	37,499	274	216.69	8,124	59,299	1,162	6,962
1954	136	37,795	278	215.62	8,149	59,919	1,085	7,064
1955	134	37,795	282	229.67	8,680	64,776	1,124	7,556
1956	133	37,795	284	245.98	9,297	69,902	1,043	8,254

a/ Acres in farms are estimated by straight-line interpolations between census years, the acreage for 1954 is held constant until the 1959 census figure is available.

Source: Davis, Irving F., An Economic Analysis of Saving in Agriculture with Special Reference to California, unpublished Ph.D. dissertation, Department of Agricultural Economics, University of California, Berkeley, December, 1958, p. 223.

TABLE IVC-6

Comparison of Relative Price Increases of Alternative Forms of Saving
1940-1955

Type of saving	Initial investment in 1940	Price if held until 1955	Rate of increase per annum
Currency	100	100	0
Savings deposit at 2 per cent interest	100	135	2
Savings bonds, Series E	100	150	3
Average common stock[a/]	100	340	15
Average urban dwelling[b/]	100	311	13
Average California farm[c/]	100	436	21

a/ Based upon Standard and Poor's Corporation combined index of prices for 480 common stocks.

b/ Computed from index of average December selling prices of single family residences reported by Roy Wenzlick and Company, 1957.

c/ Farm real estate, machinery and equipment, livestock, and growing crops.

Sources: Raleigh Barlowe, Land Resource Economics, New Jersey, Prentice-Hall, Inc., 1958, p. 259. Average California farm figures computed by Irving F. Davis, An Economic Analysis of Saving in Agriculture with Special Reference to California (unpublished Ph.D. dissertation, Department of Agricultural Economics, University of California, Berkeley, December, 1958), p. 315.

TABLE IVC-7

Cash Farm Wages, Sales, and Wages as a Fraction of Sales
United States and California
1944, 1949, and 1954

Area	Cash wages paid for hired labor		
	1944	1949	1954
	millions of dollars		
California	302	378	411
United States	1,861	2,418	2,279
California as a percentage of United States	16.2	15.6	18.0
	Value of all farm products sold		
California	1,426	1,732	2,261
United States	18,108	22,043	24,644
California as a percentage of United States	7.9	7.9	9.2
	Cash wages as a percentage of value of farm products sold		
California	21.1	21.8	18.2
United States	10.3	11.0	9.2
California as a percentage of United States	20.5	19.8	19.8

Sources: U. S. Bureau of the Census, U. S. Statistical Abstract, 1948, Table 671; 1952, Table 714; 1958, Table 826.

Figure IV B1: Production Expenses of Farm Operators, United States, 1949-1958

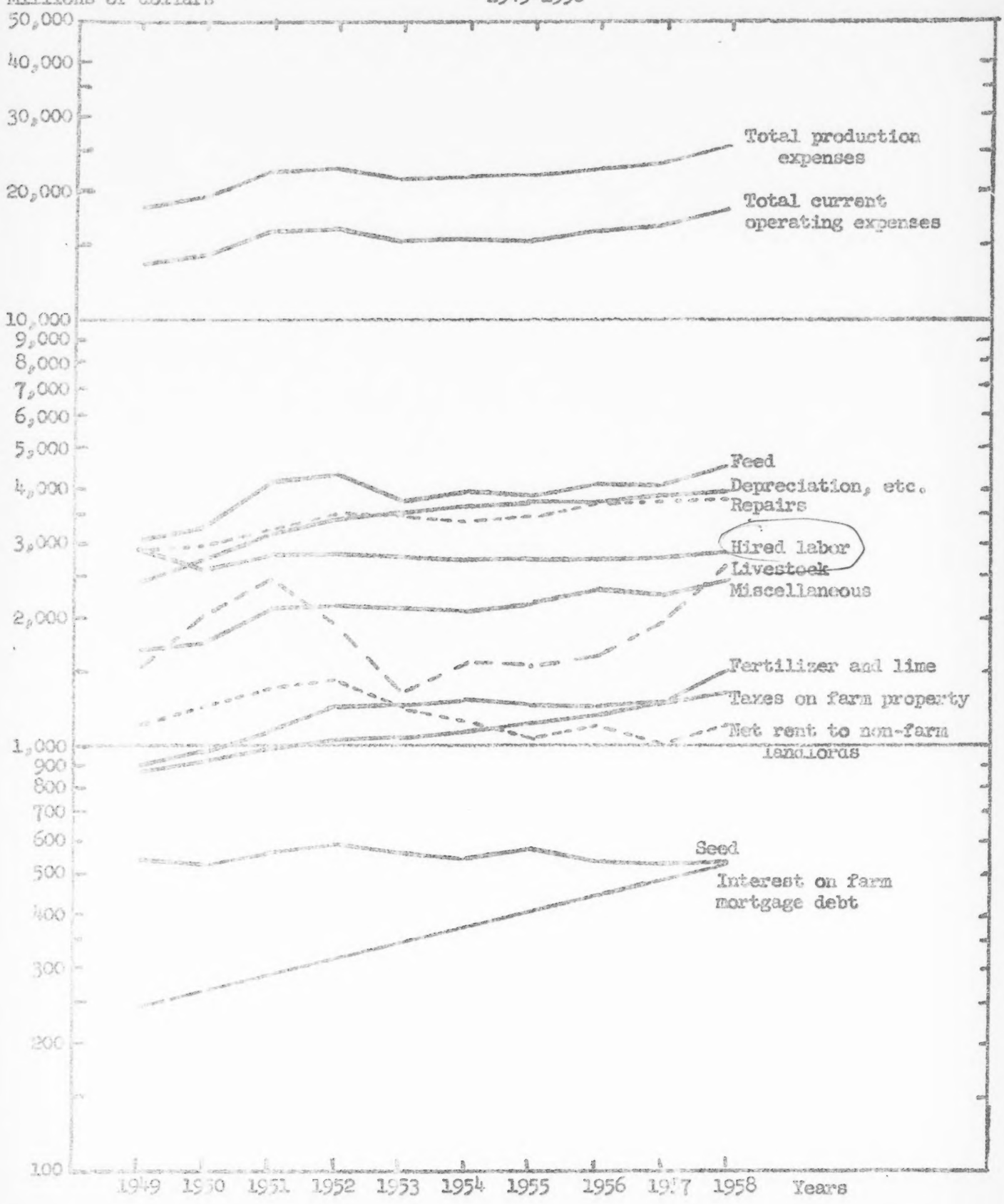
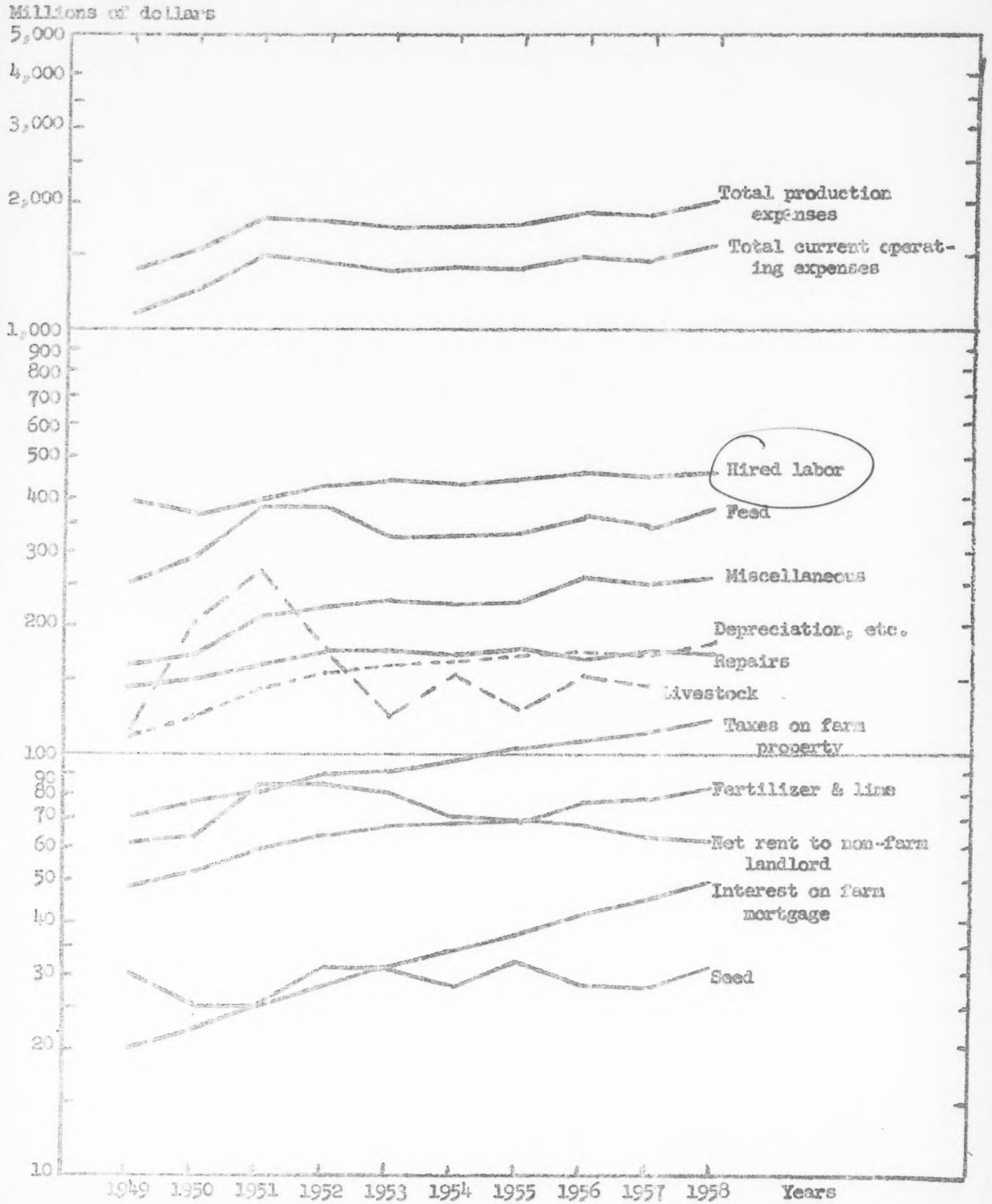


Figure IV B2: Production Expenses of Farm Operators, California, 1949-1958



4. Fertilizer and lime were more important nationally but changed equally.
5. Taxes were equal in importance and rates of increase.
6. Livestock was roughly equal in importance but uptrended more nationally after 1953.
7. Depreciation and repairs were also more important nationally but changed equally.
8. Feed was a little more important nationally but changed equally.
9. Hired labor was twice as important in California and its rate of increase in total payments was much more than for the national economy as a whole.

Summary.--The American economy, the farm economy, the California economy, and the California farm economy have greatly increased their outputs in the last 30 years. There have been more inputs, improved organization, and new products and resources.

Differences in productivity among industries, sectors, and areas have declined sharply as mobility of inputs has accelerated. It is a fluid and vital economy. Labor productivity and returns have risen sharply as the ratio of capital to labor inputs has risen over time. Farming has substituted capital for labor twice as fast as the general economy. Farm labor productivity has therefore risen at a faster rate in the past two decades. In the national economy, the increases in distributive shares to labor have been at least as high as increases in labor productivity rates. Returns to capital, which can only be approximated, appear to be lower in the farm economy than in the general economy and even lower in California farming until the last several years, during which the combined share of operators labor, management, and capital seems to have risen more than the share to hired labor. Labor is twice as important in California farming as in national farming. It gets more than twice the national share of total or net farm income and is twice the fraction of total production expenses. Since 1949, the rate of increase in total wages to hired labor has been much greater in California farming than in United States farming.

There is no doubt that American labor has received relatively more benefit from improved productivity in the past 30 years than have other contributing resources. Until recent years, this seems also to be true of hired farm labor, both nationally and for California. The evidence is conflicting in recent years, but there is no compelling indication of exploitation of hired domestic agricultural labor anywhere for any protracted period.

Division of Agricultural Sciences
University of California

APPENDIX II

THE "PRICE-COST SQUEEZE"

Working papers in support of testimony by George L. Mehren before the California Legislature Senate Fact Finding Committee on Labor and Welfare

Fresno, California

January 26, 1960

Prepared by

Harold O. Carter, G. W. Dean, and C. O. McCorkle, Jr.

Contribution from the
Giannini Foundation of Agricultural Economics
California Agricultural Experiment Station

APPENDIX II: DATA ON FARM COSTS, PRICES, OUTPUT AND INCOME FOR THE UNITED STATES AND CALIFORNIA

	Page
United States--general farm costs, prices, output and income	1
Sources of gross U.S. farm income	4
Farm production expenses, U.S.	4
Parity ratio	8
California--general farm costs, prices, output and income	8
Sources of gross California farm income	13
Farm production expenses, California	13
A comparison of farm output, cropland used, man-hour of farm labor and crop production per acre and per man-hour, U.S. and Pacific States	16
Summary	18

APPENDIX: DATA ON FARM COSTS, PRICES, OUTPUT AND INCOME FOR THE UNITED STATES AND CALIFORNIA

United States--general farm costs, prices, output and income.

Figure A-1 depicts the trends in the indexes of the major components of net farm income in the United States from 1944-1959. All data are in actual output or actual dollar terms converted to a base period of 1947-1949 = 100. Over the past ten years, farm output (quantity produced) and production expenses for farmers have risen sharply and quite steadily. Since 1951, the index of prices received by farmers declined and then has remained relatively steady since 1955. (The slight price rise in 1958 is attributable primarily to favorable livestock prices for farmers.) Gross and net farm income are the resultant of the trends in the output, prices received and production expense components. Figure A-1 shows gross income fluctuating since 1951 with little if any trend. Net income, on the other hand has declined significantly since 1951 (with the exception of the favorable 1958 situation due to high livestock prices). Figure A-1 clearly shows the elements of the "cost-price squeeze" often cited: Prices received by farmers have been low and declining; production expenses paid out by farmers have been increasing rapidly.

A more meaningful presentation of the above data may be a comparison of what has happened to farm prices, expenses and income relative to the price level of the general economy. Thus, the data in Figure A-1 have been deflated by an indicator of the general price level--the Index of Wholesale Prices. Figure A-2 summarizes the deflated data. Deflated farm net income and prices received by farmers are shown to have declined sharply and rather steadily (with the 1958 exception noted) relative to the rest of the economy. In summary, agricultural prices and net incomes have been slightly depressed in absolute terms, and sharply depressed relative to the general level of the economy.

Figure A-1. Indexes of farm expenses, output, prices received, gross and net income, United States, 1944-1959 (undeflated series, 1947-1949 = 100)

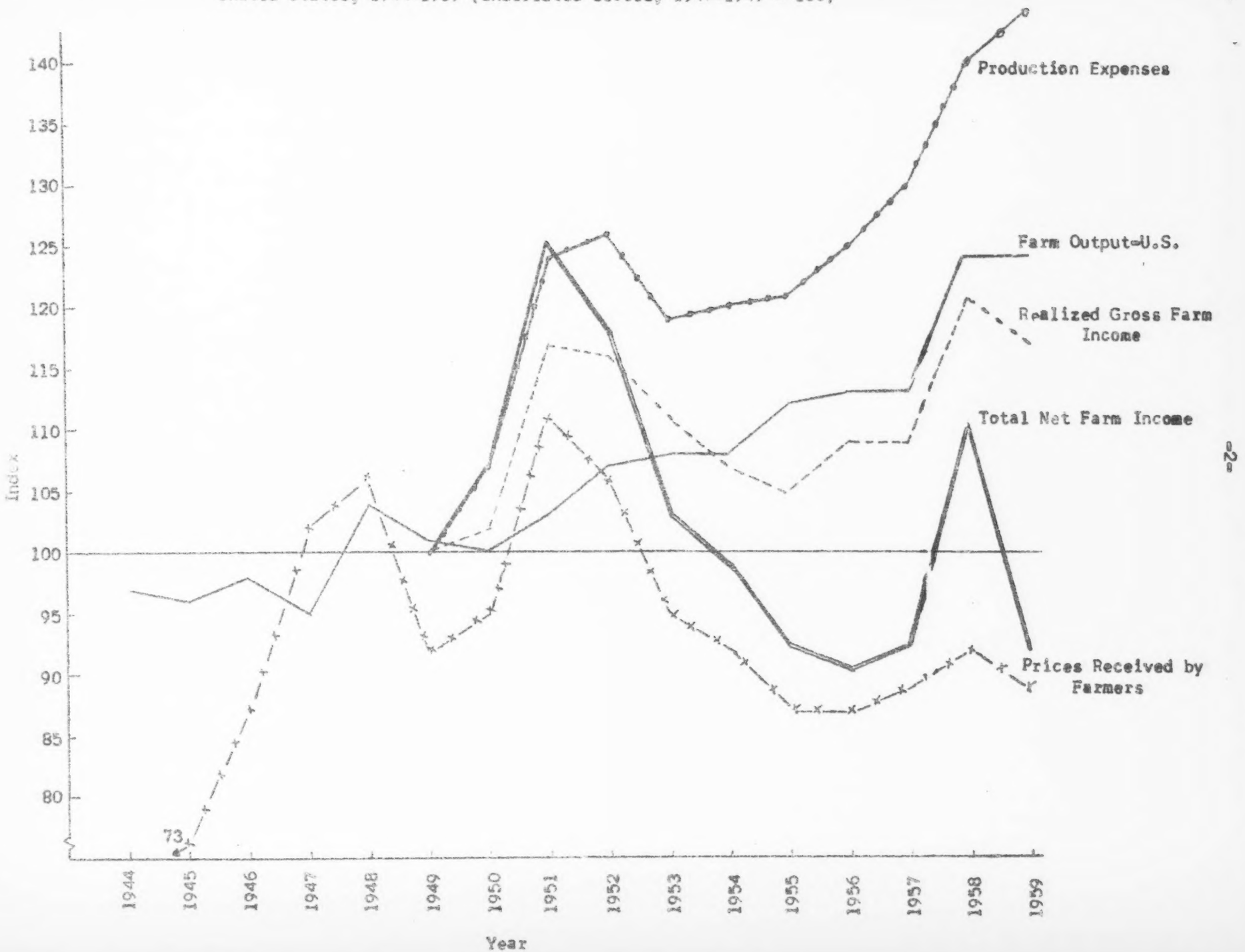
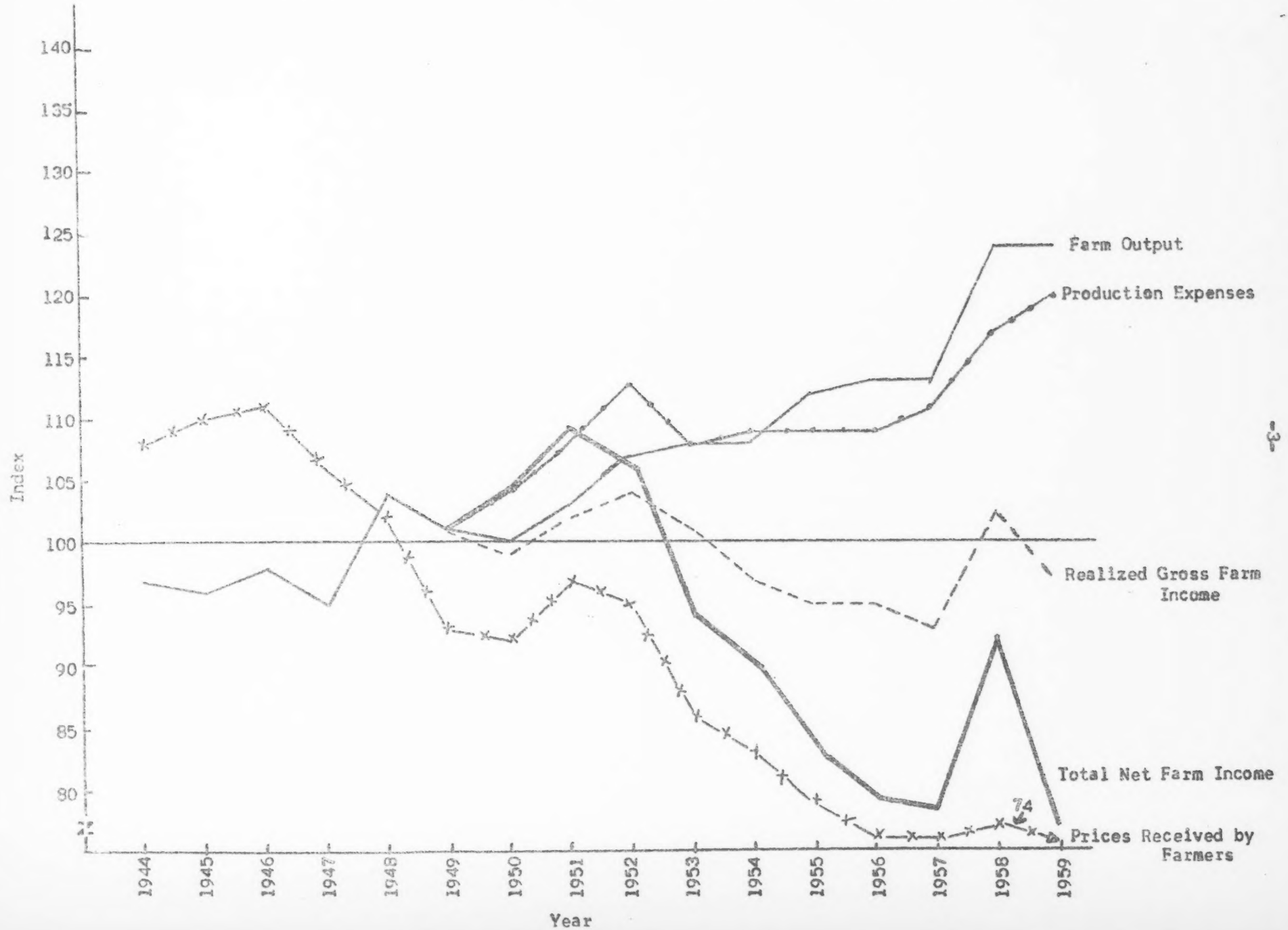


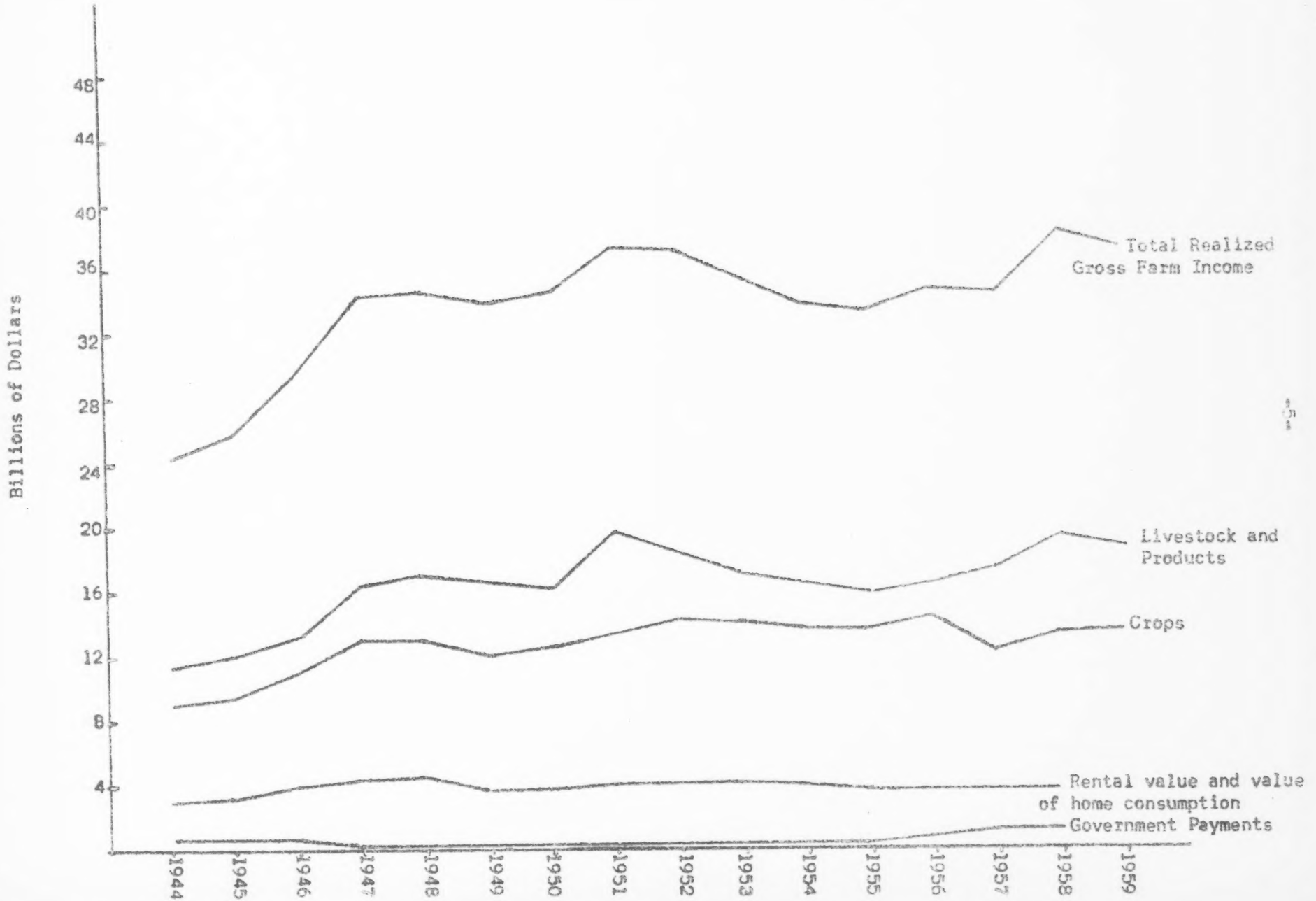
Figure A-2. Indexes of farm expenses, output, prices received, gross and net income, United States, 1944-1959 (deflated by the wholesale price index, 1947-1949 = 100)



Sources of gross U.S. farm income.--Figure A-3 shows total realized gross farm income for the United States (in actual dollars), broken down into the four major components of (1) livestock and products, (2) crops, (3) rental value and value of home consumption and (4) government payments. No important trends can be seen, particularly since about 1947. Government payments have increased since 1955 while rental values and values of home consumption have declined slightly. Also, the increase in gross farm income in 1958, as mentioned above, can be traced primarily to livestock and livestock products. Cash receipts from cattle and calves accounted for about three-fourths of the 1958 livestock increase and increased receipts from hogs accounted for most of the remainder. Exceptionally high yields of wheat, feed grains and cotton also caused an increase in cash receipts from crops in 1958. However, livestock receipts will be down in 1959 and crop receipts about constant, resulting in a decline in gross farm income.

Farm production expenses, U.S.--Farm production expenses were shown to have increased sharply in the United States, both absolutely and relative to prices received by farmers. Figure A-4 emphasizes an important point concerning farm inputs: Purchased inputs have increased sharply, while nonpurchased inputs have declined. Thus, a larger portion of farm expenses have become "out-of-pocket" expenses. Further, farm costs have become increasingly interrelated with prices prevailing in the nonfarm sector of the economy. A further breakdown of production expenses of U.S. farm operators is shown in Table A-1. Most items are characterized by a general rise in the past 10 years, with the sharpest rise in interest on farm mortgage debt. Taxes on farm property, fertilizer and lime, repairs, feed, depreciation and "miscellaneous" categories also have trended upward significantly. Little trend is observed for seed, net rent to nonfarm landlords, livestock and hired labor. In general, the items which have

Figure A-3. Realized gross farm income by source, United States, 1944-1959 1/



1/ 1959 figures are estimates

Figure A-4. Index of purchased and nonpurchased inputs, United States, 1940-1958 (1940 = 100)

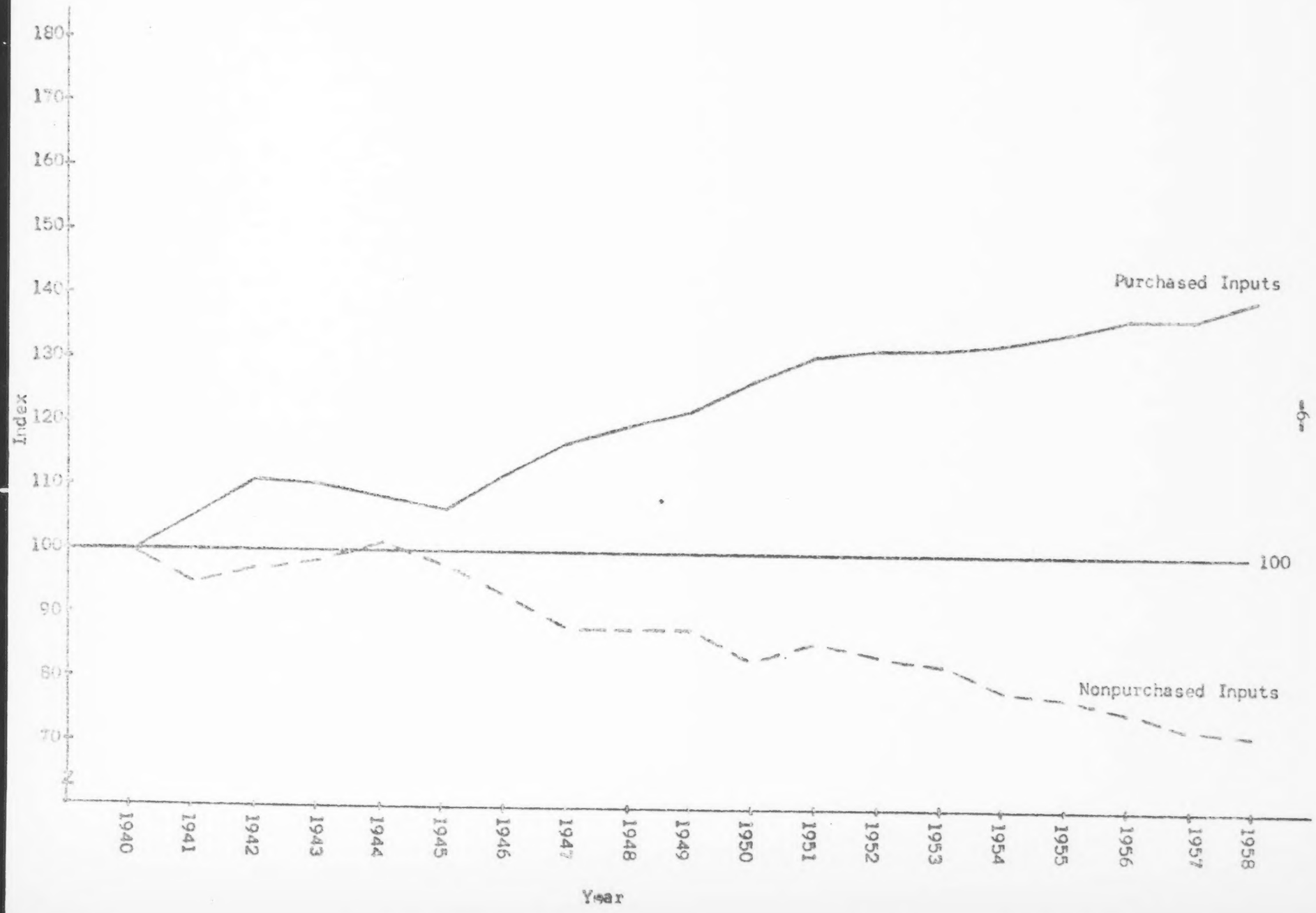


Table A-1. Production Expenses of Farm Operators, by Source, United States, 1949-1958

Item	Years									
	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
	million dollars									
Feed	3,024	3,283	4,144	4,331	3,770	3,906	3,840	4,058	4,083	4,512
Livestock	1,529	2,004	2,437	1,917	1,320	1,563	1,530	1,629	1,957	2,680
Seed 1/	543	531	561	594	560	542	577	537	529	534
Fertilizer and lime	895	978	1,085	1,229	1,245	1,274	1,256	1,241	1,280	1,305
Repairs and operation of capital items 2/	2,829	2,921	3,187	3,433	3,435	3,353	3,423	3,617	3,773	3,788
Miscellaneous 3/	1,696	1,750	2,079	2,117	2,100	2,076	2,167	2,303	2,286	2,468
Hired labor 4/	2,865	2,678	2,800	2,802	2,793	2,716	2,736	2,733	2,785	2,885
Total current farm operating expenses	13,381	14,145	16,293	16,423	15,223	15,430	15,529	16,118	16,693	18,172
Depreciation and other consumption of farm capital 5/	2,428	2,736	3,226	3,399	3,520	3,616	3,722	3,722	3,885	3,988
Taxes on farm property	873	919	987	1,038	1,062	1,086	1,149	1,199	1,277	1,346
Interest on farm mortgage debt	243	264	291	319	347	373	405	446	487	524
Net rent to nonfarm landlords	1,107	1,233	1,368	1,421	1,214	1,159	1,057	1,109	1,029	1,122
Total production expenses	18,032	19,297	22,165	22,600	21,366	21,664	21,862	22,594	23,371	25,152

1/ Includes bulbs, plants, and trees.

2/ Repairs and maintenance of buildings, repairs and operation of motor vehicles and other machinery, and petroleum fuel and oil used in the farm business.

3/ Includes short-term interest, pesticides, ginning, electricity and telephones (business share), livestock marketing charges (excluding feed and transportation), containers, milk hauling (1949-58), irrigation, grazing, binding materials, tolls for sirup, horses and mules, harness and saddlery, blacksmithing and hardware, veterinary services and medicines, net insurance premiums (crop, fire, wind, and hail), and miscellaneous dairy, nursery, greenhouse, apiary, and other supplies.

4/ Includes cash wages, perquisites, and (1951-58) Social Security taxes paid by employers.

5/ Includes depreciation and accidental damage to farm buildings and depreciation of motor vehicles and other farm machinery and equipment.

Source: U.S. Agricultural Marketing Service, Agricultural Economics Division, Farm Income Branch: Production Expenses of Farm Operators, by States 1949-1958, AMS-85 (Revised 1959).

trended upward are those which are most closely related to nonfarm activity. That is, either the farm input itself (e.g., land), or the resources required to produce it (e.g., steel for tractors) are often priced on the basis of alternative nonfarm uses rather than on the basis of their productivity in agricultural uses.

Parity ratio.--A commonly used figure to summarize the "price-cost squeeze" in agriculture is the so-called parity ratio. The parity ratio is simply a ratio (expressed as a percentage) of "prices received" to "prices paid" by farmers, compared with this same ratio in some base period (usually 1910-1914). The parity ratio can be criticized as dealing only with price and not with income, but is included here because of its widespread use. Table A-2 shows the indexes of prices received, prices paid, and the ratio of prices received to prices paid (the parity ratio) for 1944-1959. The downward trend in the parity ratio is evident.

California--general farm costs, prices, output and income.

Figure B-1 sets forth the trends in indexes of the major components of net farm income in California from 1949 to 1959. The index of farm output used is that for the Pacific area (Washington, Oregon and California) since data for California are not available for the desired time period. Series from which indexes of farm income and expenses for California could be constructed are published only from 1949 to date. Consequently, while base periods for the farm output and prices received indexes are based on the three year period 1947-1949, the single year 1949 series as base for the three truncated series. Farm output in the Pacific area, and presumably in California also since farm output in California represents a substantial portion of that of the Western area, has grown steadily since the close of World War II. An increase of nearly 30 percent has taken place since the

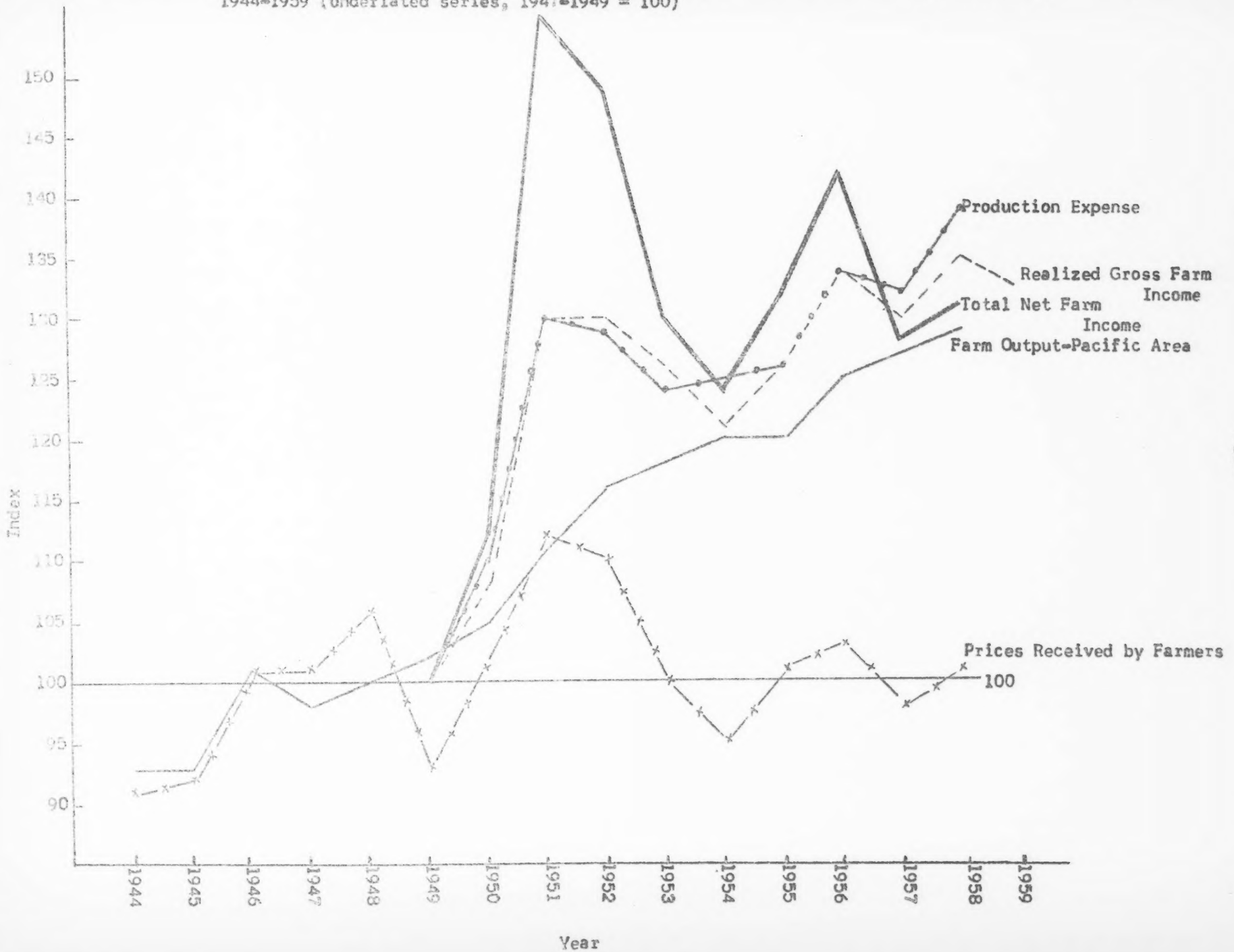
Table A-2. Prices Received and Paid by Farmers: Index for all farm products and commodities bought for use in production and ratio of prices received to prices paid by farmers, United States, 1944-1958.

(1910-1914 = 100)

Year	Prices received index	Prices paid index	Ratio of Prices received to prices paid
1944	197	173	108
1945	207	176	109
1946	236	191	113
1947	276	224	115
1948	287	250	110
1949	250	238	100
1950	258	246	101
1951	302	273	107
1952	288	274	100
1953	258	253	92
1954	249	252	89
1955	236	249	84
1956	235	249	82
1957	242	258	82
1958	250	293	85

Source: U.S.D.A., Agricultural Statistics, 1958, Tables 663 and 664.

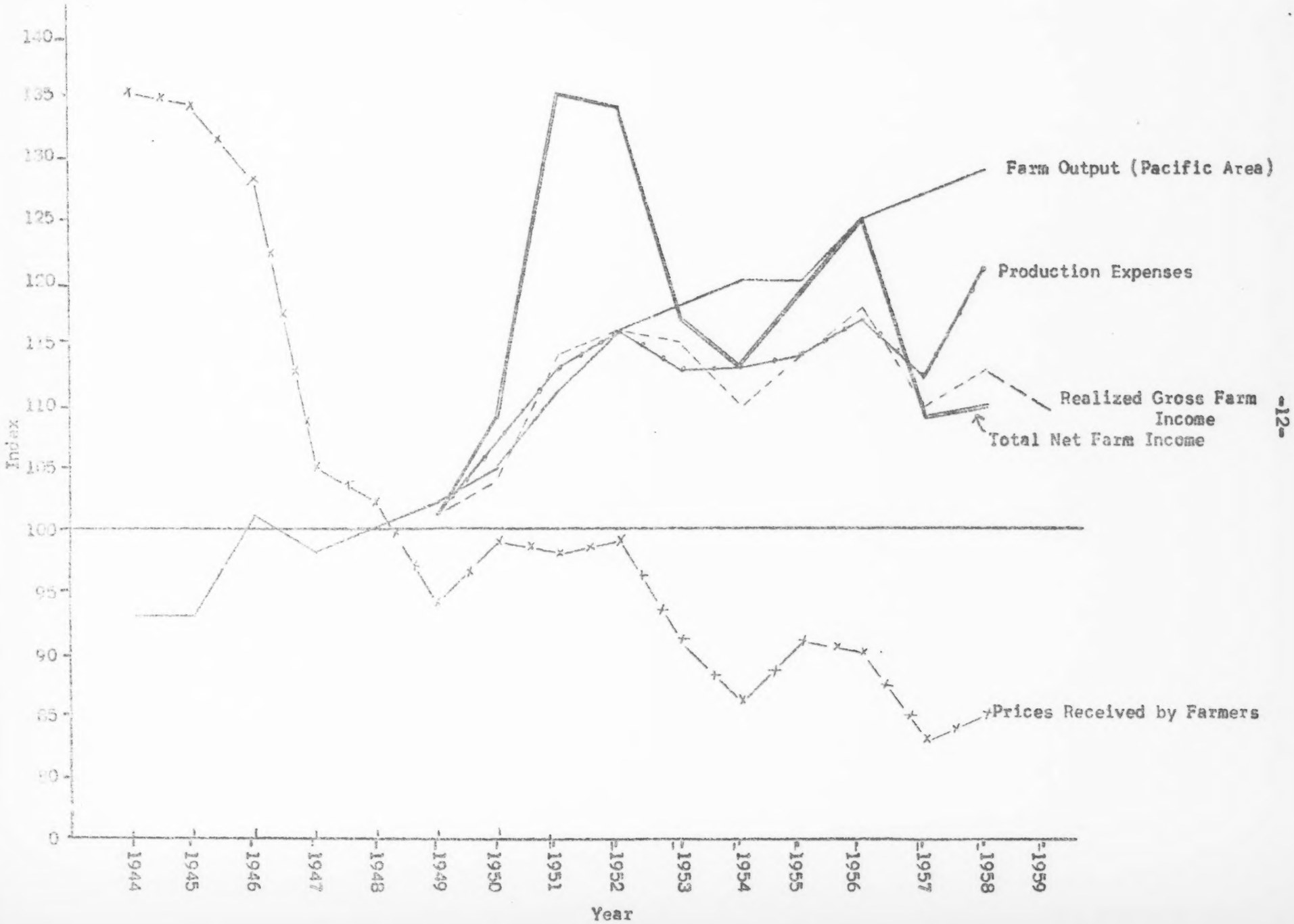
Figure B-1. Indexes of farm expenses, output, price received, gross and net income, California, 1944-1959 (undeflated series, 1947-1949 = 100)



1947-1949 base period. In sharp contrast, the index of prices received, while fluctuating from year to year, trended upward from 1944 to 1952, dropped sharply from 1952 to 1954 and has since remained near the 1947-1949 average. Realized gross farm income, the product of prices received and farm output, rose very sharply until 1952 and has trended upward very slightly over the 1954-1958 period. The 1959 income shows a decline from 1958. Year to year income fluctuations correspond closely to changes in the index of prices received. With production expenses rising by 44 percent in the past decade, total net farm income in California has trended downward since the peak year of 1951. The sharp increase in net income over 1955 and 1956 are due to favorable crops in fruits, nuts and vegetables in addition to increases in livestock sales. Likewise, the sharp decline in 1957 can be traced to fruits, nuts and vegetables. The elements of the "cost-price squeeze" being experienced by American farmers are thus evident in California, though net farm income of California's farmers has not been depressed relatively as much. A slightly greater rate of expansion in farm output together with greater stability in prices received accounts for the relatively more favorable net farm income situation in California since production expenses have increased approximately equally.

A comparison of the behavior of components of net farm income when adjusted for changes in the general level of prices in the economy is contained in Figure 8-2. The Index of Wholesale Prices (1947-1949 = 100) was used to deflate the price, income and expense series. In this more realistic comparison, prices received by California farmers and realized net farm income have trended sharply downward. Net farm income has declined approximately 25 percentage points from the 1951 high. Preliminary estimates for 1959 indicate that California's adjusted net farm income is likely to be slightly below the 1958 level. In summary, agricultural prices and net incomes in

Figure B-2. Indexes of farm expenses, output, prices received, gross and net income, California, 1944-1959 (deflated by wholesale price index, 1947-1949 = 100)



California have not been depressed to quite the same extent as the national average, but, nevertheless, have fallen behind relative to the general level of prices in the economy as a whole.

Sources of gross California farm income --Figure B-3 indicates the components of total cash receipts from farm marketings for California for the period 1944-1958. Three of the major components--livestock and livestock products, field crops, and vegetables--have all trended upward over the entire period. Cash receipts from livestock and products, following closely the U.S. trend, rose rapidly, peaking in 1951 followed by a decline until 1955, again rising which culminated in the record 1958 year. Field crops receipts continued to rise until 1953, dropped rather sharply to 1955, and leveled off. Cash receipts from farm marketings of vegetables have moved gradually but irregularly upward over the entire period. The other major component of California cash receipts--fruits and nuts--has failed to regain the post-war levels of 1946 and has risen only slightly from the post-war lows of 1952 and 1953.

Farm production expenses, California.--Both total production expenses and total current operating expenses of California farmers have increased in the past decade by approximately 44 percent (Table B-1). Interest on farm mortgage, fertilizer and lime, and taxes on farm property have increased sharply. Less spectacular increases have taken place in costs of hired labor, depreciation, and miscellaneous items. Net rents to landlords have decline over the past seven years further suggesting the decline in net income to farm operators. Use of nonfarm produced inputs has risen rapidly on California farms as on other farms in the nation. Price rises in these items have contributed substantially to the"price-cost squeeze."

Figure B-3. Cash receipts from farming, by source, California, 1944-1959 1/



1/ 1959 figures are estimates.

Table B-1. Productive Expenses of Farm Operators, California 1949-1958
(millions of dollars)

Item	Years									
	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Feed	258.2	293.9	377.1	379.9	324.8	324.0	329.7	361.7	347.6	378.7
Livestock	114.4	203.9	272.3	175.8	121.0	152.8	127.5	151.0	144.2	221.0
Seed[1/]	30.2	25.8	28.3	31.3	31.9	27.5	32.1	28.3	28.2	32.7
Fertilizer and lime	47.9	52.4	59.3	64.5	67.1	67.6	69.4	75.8	78.8	83.2
Repairs[2/]	145.9	149.4	162.8	175.9	176.3	169.8	173.8	168.0	170.2	175.4
Miscellaneous[3/]	159.2	170.9	209.1	221.2	228.5	225.5	230.6	261.5	252.5	264.5
Hired labor[4/]	396.7	368.3	399.0	425.6	437.8	434.2	443.1	466.0	452.1	466.9
Total current operating expenses	1152.6	1264.5	1507.9	1474.2	1387.3	1401.5	1406.2	1512.2	1476.6	1622.3
Depreciation and other consumption of farm capital[5/]	109.0	122.9	143.7	153.6	161.0	164.4	168.7	169.6	173.7	181.4
Taxes on farm property	71.1	77.4	83.2	89.8	91.7	95.0	103.5	108.3	112.3	119.9
Interest on farm mortgage debt	20.7	22.4	25.0	28.4	31.6	33.0	36.9	41.2	45.0	49.4
Net rent to nonfarm landlord	61.3	63.7	85.6	84.1	79.4	70.2	69.6	67.3	62.5	62.5
Total productive expenses	1414.6	1550.9	1845.4	1830.1	1751.0	1765.1	1784.9	1898.6	1870.1	2035.5
Index	(100)	(110)	(130)	(129)	(124)	(125)	(126)	(134)	(132)	(144)

1/ Includes bulbs, plants and trees.

2/ Repairs and maintance of buildings, repairs and operation of motor vehicles and other machinery, and petroleum fuel and oil.

3/ Includes short term interest, pesticides, ginning, electricity, telephones, livestock marketing changes (excluding feed and transportation), containers, milk hauling (1949-58), irrigation, grazing, binding materials, tolls for sirup, horses and mules, harness and saddlery, blacksmithing and hardware, veterinary services and medicines, net insurance premiums (crop, fire, wind and hail), and miscellaneous dairy, nursery, greenhouse, apairy and other supplies.

4/ Includes wages, perquisites and (1951-58) Social Security taxes paid by employers.

5/ Includes depreciation and accidental damage to farm buildings and depreciation of motor vehicles and other farm machinery and equipment.

Source: U.S.D.A., Production Expenses of Farm Operators, by States 1949-58, October 1959.

A comparison of farm output, cropland used, man hours of farm labor and crop production per acre and per man hour, U.S. and Pacific States.--Table B-2 presents index numbers comparing common aggregate measures of inputs and "productivity" of major resources used in agriculture for the period 1925-1929 to 1955-1957. During this period farm output on the Pacific Coast more than doubled while that of the United States as a whole rose only slightly over 50 percent. Part of this differential rate of increase is due to the increase in cropland in the Pacific states not matched in the rest of the United States. Labor input in American agriculture has declined strikingly as indicated by the drop of 55 points in the index of man-hours of farm labor for the 32-year period. In sharp contrast, the man hours of farm labor in the Pacific states has changed little. This is explained in large measure by the relative importance of the production of products in which labor inputs are necessarily high relative to other products. Mechanization of operations in fruit and vegetable production, because of the nature of the products, has been relatively slow. While some progress is being made, rapid development of new labor saving technology for fruit and vegetable farms is not anticipated.

Comparing farm output with cropland used, production per acre has risen steadily in both the United States and Pacific states with the latter registering the greatest increase in spite of the fact that acreage in crops rose. Production per man hour on the other hand increased more rapidly in the United States as a whole than in the Pacific region. This is to be expected with the large decline in man hour inputs for the nation as a whole. While data of these kind are often cited as indicators of resource productivity, such interpretations are misleading. Resource productivity comparisons can be valid only when the types of products being produced, the quantities and qualities of other resources used in the production processes, and the factor and product prices are known.

Table B-2. Index Numbers of Farm Output, Cropland Used, Man-Hours of Farm Labor, and Crop Production per Acre and Man-Hour, United States and Pacific Area, 1925-1957

(1947-1949 = 100)

Years	Farm output		Cropland used		Man-hours of farm labor		Production per acre		Production per man-hour	
	Pacific	U.S.	Pacific	U.S.	Pacific	U.S.	Pacific	U.S.	Pacific	U.S.
1925-1929	58	73	90	99	99	137	63	72	58	53
1930-1934	63	71	93	100	102	131	67	70	62	55
1935-1939	74	76	94	99	106	123	78	75	70	62
1940-1944	86	91	91	98	105	120	92	91	81	76
1945-1949	99	99	98	99	102	104	100	99	97	95
1950-1954	114	105	100	100	98	89	113	104	117	119
1955-1957	124	113	100	97	98	82	122	109	126	137

Sources: Bressler, R.G., Jr. Farm Technology and the Race with Population, J.F.E., Vol. XXXIX, No. 4, November 1957. U.S.D.A., Changes in Farm Production and Efficiency, August 1958.

Summary.

Data on farm costs, prices, output and incomes for the United States and California have been presented in this appendix. Some attempt has been made to briefly interpret and explain these facts so as to "shed some light" on a primary problem in agriculture--commonly referred to as the "price-cost squeeze." The data indicate that in the United States and California to a lesser extent prices received by farmers have been low and declining while production expenses paid out by farmers have been increasing rapidly. Further, net incomes for agriculture have been sharply depressed relative to the general level of the economy.

Increased use in agriculture of nonfarm produced inputs have been experienced both in California and the Nation. Prices of these factors are primarily determined on the basis of their alternative uses in other non-agricultural sectors of the economy rather than on the basis of their productivity in agricultural uses. Accordingly, prices of these items have contributed substantially to the "price-cost squeeze."

Farm output, from 1925 to 1957, has doubled in California and increased by 50 percent in the nation as a whole. A small part of the increase is due to increased acreage but the major explanation centers around increased crop yields. Labor inputs in agriculture have declined markedly in the whole U.S. but show little change for California for the same period. One reason for this decline in labor inputs is the rapid substitution of capital in agriculture mainly in the form of labor-saving machinery and other capital inputs. Advances in mechanization have been slower in fruit and vegetable crop production which production accounts for a large share of farm output in California.

Statement of Paul S. Taylor on history of agricultural labor problems of California, prepared for the State Senate Fact Finding Committee on Labor and Social Welfare, Sacramento, California November 16, 17, 1959

My name is Paul S. Taylor, and I present this statement upon invitation of the Chairman, Senator James A. Cobey, who has requested me to discuss historical aspects of three problems before this Committee, on

(1) the history of the farm labor problem in California,
(2) the history of foreign farm labor in California, and
(3) the history of migratory and interstate farm labor in California.

The statement represents personal views of the witness alone.

I

History of the California Farm Labor Problem

California farm labor is distinguished from the farm labor of the rest of the United States principally by the predominance in California of an industrialized form of agriculture which depends mainly on wage laborers. In most of the rest of the United States a family-size farm type of agriculture predominates, which depends mainly on the labors of the farm operator and his family. This contrast means the difference between wage employment and self employment.

This contrast shows clearly in the latest Government figures on farm labor, for October, 1959. In California only 35 percent of the workers are family laborers; in the United States the percentage is 71, or twice as great. Conversely, California agriculture depends on wage laborers for nearly two-thirds of its labor; the agriculture of the United States depends on wage workers for only 29 percent, or less than one-third of the labor. (Table I) The contrast shows also in the employing structure. The employing structure of California agriculture, bearing a resemblance to that of industry, shows a high degree of concentration of employment. Two-thirds of the hired farm laborers of California work in gangs of ten or more, and are employed on only 6,628 farms, or about one-twentieth of the farms of California. (Table II) Other census data are corroboratory. Less than 15 percent of California's farms, to the number of 18,225, produce 75 percent of the agricultural production of the State, measured by value, and spend four-fifths of all the wages paid to farm laborers in California. (Table III)

This peculiar employment structure, contrasting with the structure of the Nation's agriculture, and that may be called plantation or industrialized agriculture according as one chooses historical or contemporary adjectives to characterize it, is not new. Its origins lie deep in the early history of our State.

Concentration of production and employment was already well developed in California three generations ago. By the eighteen seventies large-scale wheat-growing was the monoculture of great sections. The Glenn ranch alone

occupied 40,000 acres in the Sacramento Valley. In 1874 Charles Nordhoff wrote that "Between Stockton and Merced lie about six hundred square miles of wheat. Wheat, wheat, wheat, and nothing but wheat, is what you see on your journey, as far as the eye can reach over the plain in every direction. Fields of two, three and four thousand acres make but small farms; here is a man who 'has in' 20,000 acres; here one with 40,000 acres, and another with some still more preposterous amount--all in wheat." (Charles Nordhoff, California for Health, Pleasure, and Residence, Harper, New York, 1874, p. 182.)

By the close of the nineteenth century large-scale agriculture was predominant in most crops. In 1899 one-sixth of the farms of the State produced just above two-thirds of the crops, by value. (Census of 1900) A generation later, 1929, concentration remained a marked characteristic of California agricultural production and employment as it is today. Two percent of the farms (2,431) produced 28.5 percent of the State's crops, by value, and spent 35 percent of the cash paid to agricultural wageworkers. (Census of 1930)

The departure of California from the National norm and ideal of self-employment in agriculture, then, is not new, but at least three generations old.

The traditional National ideal for agricultural labor, simply stated again, is that the tiller of the soil, for his own and the public good, should be its owner. The words to express this have varied ever since Crevecoeur praised the "freehold farm" of the American colonies, and Thomas Jefferson said that most of our "laborers" were "farmers". The phrases "actual settler", "homesteader", "working farmer", and "dirt farmer", are attached to successive eras, and often even to the names of our presidents, e.g., Andrew Jackson, Abraham Lincoln, Theodore Roosevelt, and Woodrow Wilson. Together they unify the thread of history in our land policy, and are joined in succession to the contemporary "family size farm" to which both political parties currently acknowledge devotion. Congress wrote this national ideal into statute repeatedly, notably in the Pre-emption Act of 1841, the Homestead Act of 1862, and the National Reclamation Act of 1902.

The early and continuing departure of California from this chosen pattern of national rural life was not by the deliberate choice of Californians, but rather against their declared wishes, from the beginning.

When the first California Constitutional Convention met in 1849, among the issues before it was whether California should seek to enter the Union "slave or free". At that time there was no California agriculture worthy of the name; the question was debated by miners who had rushed to work the diggings themselves, as farmers were rushing to the MiddleWestern frontier to work the soil. However, the arguments levelled against slave labor in the mines were the same as those used by farmers at the time the miners left the East in search of gold. Thus the miners chose as a design for a California agricultural society not yet in being, the well-remembered National image of an older agriculture.

They spelled out their objections. As working miners they feared competition from laborers with a lower standard of living. They feared that free labor would be degraded. They feared they "would be unable, even if

willing, to compete with the bands of negroes who would be set to work under the direction of capitalists. It would become a monopoly of the worst character. The profits of the mines would go into the pockets of single individuals. The labor of intelligent and enterprising white men who, from want of capital, are compelled to do their own work, would afford no adequate remuneration." (J. Ross Browne, Debates in the Convention of California on the Formation of the State Constitution in September and October, 1849 (Wash., D.C., 1850), p. 144.) They feared that labor might be formed into a permanent class. "I think, if we wish to protect the citizens of California in any thing," Delegate Wozencraft said, "we should protect them in the right to labor--one of the most inestimable of all rights. We should protect them against the monopolies of capitalists who would bring their negroes here. We should protect them against a class of society that would degrade labor, and thereby arrest the progress of enterprise and greatly impair the prosperity of the State." (Ibid, pp. 49, 140.) The Convention approved this view, and wrote it into the Constitution.

The issue was debated again in Congress, where Southern planters were strongly represented. Senator Jefferson Davis thought that California irrigated agriculture would require "associated labor," i.e., African slavery, "on account of the climate, productions, soil, and the peculiar character of cultivation," and that "in certain climates only the African race are adapted to work in the sun." (Cong. Globe, 31st Cong., 1st Sess., 1849-50, App. vol. 1, p. 154.) Representative Howard, of Texas, denied that the "few men or inhabitants" of California at the time had the "right or power to monopolize large tracts of the public domain for an indefinite period of time, which they cannot enjoy, and encumber it with their political institutions." (Ibid., p. 772.)

Northerners in Congress saw no "monopoly" or "encumbrance" in the spread of free labor. Speaking their views Representative George W. Julian, of Indiana, said, "It is not protection to capital, but protection to man's rights, protection to the hand that labors, that should invoke the action of the Government. It is not protection to American manufactures, but protection to American men, that I would now advocate; and, like the founders of the Government, I would make it the starting point in politics, the great central truth in my political creed, to which questions of mere policy should be subordinate." (Ibid, p. 579.)

Congress affirmed the decision of the California Constitutional Convention as to the type of society intended for the new state's future. (See Taylor, Foundations of California Rural Society, 24 California Historical Quarterly, 193-202, September 1945.)

Within a few years after California's admission into the Union in 1850, a State Agricultural Society was founded. Its transactions reflect the contemporary hopes, and early anxieties of Californians over the actual rural society they saw beginning to develop in the State. The annual address to the Society at Marysville in 1858, for example, was fulsome in its praise of "the fee-simple farm--its owner upon it, cultivating it himself . . . As long as it can be said of the sovereigns of these States, 'they love husbandry', the Republic is safe. Small farms grow true patriots. The wealth of the Republic must be a commonwealth." (Hon. Samuel B. Bee, Transactions, California

State Agricultural Society, 1858, pp. 56,60.) Other addresses and reports during the early years of the Society spoke the same theme in the often florid phrases used in eastern farmers' societies during the same era, exalting "the laborer in the field" and honoring the wisdom of the Homestead Act. (Col. E. D. Baker, ibid., 1859, p. 456; ibid., 1864-65, p. 73.)

By 1865 anxiety appeared, as well as hope that self-employment would rule on the farms of California as well as in the East. Dr. John F. Morse, addressing the Society at Sacramento, spoke first the familiar praise of family farms, then warned against the hazards he foresaw of land monopoly in California:

> "Free and untrammelled agricultural homes, cultivated and kept in order by the men who own the soil, are the sources of the most indestructible national wealth. And in our country there is but one thing that can militate against this great national desideratum. That is the tendency to a monopoly of soil, the holding of more land than can be properly managed, and the introduction of lease-ridden estates. Oppressive monopoly in anything is a curse to society and dishonor toward God and man. But if monopoly must exist, let it live anywhere rather than in the husbandry of our country.
>
> "There are no monopolists so arrogant, so dictatorial, so dangerous to the peace and perpetuity of the State, as the overgrown, monopolizing, political nabobs of the soil. Moderately large farms, well tilled, constitute the true glory and security of a nation or State. Contiguity of small farms awaken and maintain an emulation in agriculture which converts valleys, hillsides, and prairies into those wonderful garden fields of beauty and plenty that never fail to enrapture the eye and delight the heart of needy and ennobled humanity. This is the kind of agriculture we want in California...." (Ibid., 1865, pp. 184,185.)

Five years later the State Board of Agriculture, under the title "Land Monopolies," reported to the Governor that vast tracts of land in California had already passed into a very few hands,

> "that very nearly all the lands in the State have, in one way or another, passed from the ownership of the Government to that of private parties, and that the prices of these lands are advanced considerably above the Government prices for public lands in this and in other States. These are the facts, and this is the length and breadth of the land monopoly in California. . . . It is a fruitless labor to inquire into the management of our State and National Land Offices, which has encouraged the accumulation of these lands in a few hands and in large bodies, rather than in the hands of small farmers, except to prevent the continuance of such management." (Ibid., 1871, pp. 16,17.)

Seventy years later, in the early 1940's, a Committee of the United States Senate seeking causes of the peculiar character of the farm labor problems of California, found, as a chief cause, the very developments

viewed with such concern by the honored speakers at the State Agricultural Society and by the State Board of Agriculture in the 1860's and 1870's. The Senate Committee on Education and Labor concluded that the origins of the peculiar character of the farm labor problem of California are to be attributed largely to early land monopolization:

> "It is apparent, without further elaboration, that only a very small acreage of land in California was entered by bona fide homesteaders, in comparison to the acreage entered by other means. This circumstance resulted in the monopolization of much of the land in the State in immense holdings which, not without justice, gave rise to the characterization of the large landowners as the 'land barons." The report of the Commission on Public Lands viewed this development in these terms:
>
> > "'There exists and is spreading in the West a tenant or hired-labor system which not only represents a relatively low industrial development, but whose further extension carried with it a most serious threat. Politically, socially, and economically this system is indefensible. Had the land laws been effective and effectually enforced its growth would have been impossible.'
>
> "Thus the pattern of land settlement, established in the Spanish and Mexican periods, was carried over into the American regime in California between 1850 and 1870. This concentrated landowndership did not preclude the possibility of the development of a system of operation and subdivision which would have been in conformity with the working family-farmer concept that was the more usual development in other sections of the country. It did, however, provide the framework for the development of large-scale agriculture which has, in fact, continued to develop." (Senate Committee on Education and Labor pursuant to S. Res. 266, Senate Report No. 1150, 76th Cong., 2d Sess., pt. 3, p. 223. The recommendations of the Committee on Education and Labor for amelioration of the agricultural labor problem were presented to the United States Senate on October 19, 1942.)

This development of large-scale agriculture, despite some obvious advantages, has created the frame of reference in which the agricultural labor problem must be viewed today.

This sudden apprehension of Californians over land monopoly found expression not only in the proceedings of the State Agricultural Society, which year after year portrayed monopoly in agriculture as a public evil, but also in Legislative investigations, political activities, newspapers, and ultimately in a great contest to declare the public policy of California regarding land in the Constitutional Convention in 1879. The contest fills many pages of the Convention debates; its result was the enactment of Article XVII of the present California Constitution. This article declares the holding of large tracts of uncultivated and unimproved

land by individuals or corporations to be against the public interest, and prohibits grants of State lands to any but "actual settlers" or in quantities "exceeding three hundred and twenty acres to each settler."

An early opinion by the California Supreme Court in 1891 interpreted the meaning of sections 2 and 3 of Article XVII broadly:

> "That the State has a clearly defined policy upon the subject generally is quite evident from the section in question and the preceding:
>
> > Sec. 2. The holding of large tracts of land, uncultivated and unimproved, by individuals or corporations, is against the public interest, and should be discouraged by all means not inconsistent with the rights of private property.
> >
> > Sec. 3. Lands belonging to this State, which are suitable for cultivation, shall be granted only to actual settlers, and in quantities not exceeding three hundred and twenty acres to each settler, under such conditions as shall be prescribed by law.
>
> "The policy of the State is here declared to be against selling any lands suitable for cultivation in extent exceeding 320 acres, or to other than actual settlers. And the policy is greatly emphasized by the preceding section, which plainly declares that the holding of large tracts, uncultivated, is against the public interests, and should be discouraged by all means consistent with private rights. In view of such declarations, it must be manifest that all lands within this state should, so far as governmental action could accomplish it without violating private rights, be held in small tracts, and constitute homes for its owners. No narrow construction of such words in the section open to contruction -- "suitable for cultivation" -- should limit this policy. The effort should be rather to extend than to restrict, for the policy is plainly that the section should include all, so far as possible." (Fulton v. Brannan, 88 Cal. 454, 455.)

The citizens' movement of the 1890's to obtain federal aid for reclamation in California and other western states shared the earlier concern of Californians over large landholdings, and a preference for what President Theodore Roosevelt called "working farmers." The proceedings of the National Irrigation Congress record recurrent expressions of unwillingness among the advocates of federal reclamation to allocate water to large ownerships of land. At the President's personal instigation, a clause was inserted in the National Reclamation Bill to provide that "No right to the use of water for land in private owndership shall be sold for a tract exceeding one hundred and sixty acres to any one landowner . . ." (32 Stat. 389) Congress was determined to undo, so far as possible, the land agglomeration inherited from earlier land law and administration. Congressman Frank Mondell of Wyoming, in charge of the Reclamation Bill and appealing for its

passage, assured the House that Reclamation law "will compel the division into small holdings of any large areas . . . in private ownership which may be irrigated under its provisions." (35 Cong. Rec. 6677)

Apparently the response of Californians generally, including some large landowners, was favorable to the 160-acre water provision. A California Promotion Committee, with many prominent sponsors, published "For California," a pamphlet pointing out the advantages of the new law and inviting cooperation from large landowners:

> "In California much of the best land . . . is in huge private holdings. It is believed that every great landowner in California will be willing to sign a contract to subdivide in order that the Government may proceed as rapidly as possible to construct irrigation works . . . . Already owners of more than seventy huge tracts of land have signified to the California Promotion Committee their willingness to subdivide their lands for the benefit of intending settlers. This shows which way the wind blows and may be taken as an indication that when the Government is ready to go ahead our patriotic landed proprietors will be willing and ready to cooperate." (For California, September, 1905, p. 14)

Earlier the same year, in June, 1905, the co-author of the National Reclamation Act, Senator Francis G. Newlands of Nevada, addressed a banquet of prominent California citizens assembled under sponsorship of the Sacramento Valley Development Association at Red Bluff. He said:

> "Now, what National machinery have you? You have the machinery of the National Reclamation Act, intended, as your Governor has remarked, to meet the demands of the homeseekers of the country. Guarded in every way against monopoly and speculation, intended to secure to every man of industry an area of land sufficient, according to the soil and the climate or productiveness, for the support of a family, and sufficient for that alone (applause), it is also intended to break up existing land monopoly. How is that accomplished? We realized in the framing of that Act that it would not be fair to apply it only to the public domain, for within reach of every Governmental project lie lands in private ownership, thirsting for water to be supplied by National aid, and we felt that it was as much the duty of the National Government to supply agricultural communities that were thus imperiled as to create new agricultural communities.
>
> "And so we provided that water rights could be secured for lands in private ownership within reach of Government projects, to be guarded against monopoly by preventing any proprietor from securing water rights for more than 160 acres, the amount of land fixed in the bill. You might say this would involve a hardship to the landed proprietor, or possibly confiscation of

"his property. It is not so. The very nearness of the land to the property which is to be supplied with water would give value to the thirsty acres, and thus the landed proprietor would secure salability for his land, and an advanced price for his land, enabling him, by a division of the lands amongst homeseekers at reasonable prices, to secure a greater sum than was possible before the project was inaugurated.

"And so the wise policy of the National Government in this Act has been to encourage home-building and to destroy land monopoly; not only to prevent the monopoly of public land, but to break up the existing land monopolies throughout the arid regions. (Applause.)"

These remarks were punctuated with repeated applause, and the entire address was received with "great applause," according to the bulletin distributed by the Association. (Sacramento Valley Development Association, Bulletin No. 23, pp. 14-18.)

The California Legislature repeatedly has approved the signing of water contracts by California water districts that comply with the excess land law (Cal. Water Code, secs. 23175-23302). California voters in districts along the Friant - Kern Canal have approved contracts containing the 160-acre water clause by an average vote of more than ten to one (47 California Law Review 531; a straw poll by the San Francisco Chronicle, on inclusion of the 160-acre limitation in the State Water Plan produced this result: yes, 58.9 percent, no, 21.5 percent. June 29, 1959, p. 32.)

In an endeavor to ascertain whether the ideal of self-employment in agriculture, held so strongly in the nineteenth and early twentieth centuries, retains validity and vitality, Dr. Walter R. Goldschmidt, now Professor Anthropology and Sociology at the University of California at Los Angeles, made a comparative study of two California communities in the middle nineteen forties. Arvin, in Kern County, was chosen as fairly representative of a community founded on large-scale agriculture, and Dinuba, Tulare County, as fairly representative of a family size farming community.

The contrast was striking. The proportion of business and white collar workers was twice as great in Dinuba as in Arvin, the proportion of farm operators three times as great, and the proportion of agricultural laborers (characteristically landless and low-income) was less than half as great. Retail trade in Dinuba (per dollar of agricultural production) was substantially larger than in Arvin. Dinuba not only was a more evenly balanced community, but more plentifully supplied with schools, civic organizations, churches, and those things and those conditions that contribute to a richer social life. As Senator James E. Murray, of Montana, wrote of this study:

"....The conclusion drawn, and which impresses itself on any unbiased readers as in reality emerging from these numerous facts, is that the size and character of the farm holdings and operations is responsible in no small degree for the conditions in these cities. On the one hand, in the community surrounded by big farms the social, cultural, and economic attributes of life are developed to a lesser degree than in the other community which is in the midst of an area made up primarily of smaller farms independently operated where the community welfare is of a higher order and more wholesome in every particular.

"The bearing on the American way of life, which is all-important to all of us who seek to see the virility of this Nation go on unimpaired, is at once apparent...." (Small Business and the Community: a study in Central Valley of California on effects of scale of farm operations. Report of Senate Special Committee to Study Problems of American Small Business, 79th Cong., 2d Sess., pursuant to S. Res. 28, Senate Committee print No. 13, pp viii, 5.6.45)

In emphasizing the history of large-scale landownerships that became so prominent in California, there is no intention to obscure the fact that other important considerations, some also historical, have contributed to a perpetuation of large-scale industrialized agriculture, and impeded the development of self-employment in agriculture. Among these other factors is the perennial availability of farm laborers in ample numbers supplied mostly by migration from other states and from foreign countries, throughout California's history. That historical aspect of California's farm labor problem is treated in succeeding portions of this statement.

Table I

Family and Hired Labor
United States and California
Average, September 1954-1958

	Family Workers		Hired Workers	
	Number (000 omitted)	Percent	Number (000 omitted)	Percent
United States	7,214	70.6	2,999	29.4
California	172	34.5	326	65.5

Source: U.S. Dept. of Agriculture, Agricultural Marketing Service Crop Reporting Board, Farm Labor, Oct. 9, 1959, p. 6.

Table II

Employing Farms, by Number of Hired Laborers, California, 1954

	Farms		Hired Laborers	
	Number	Percent	Number	Percent
All farms	123,075	100.	....	....
Farms with no hired labor	82,022	66.6	....	....
Farms reporting hired laborers	41,053	33.4	277,753	100.
1 hired laborer	15,719	12.8	15,719	5.7
2 to 4 hired laborers	13,134	10.7	39,402	14.2
5 to 9 hired laborers	5,572	4.5	39,004	14.
10 or more hired laborers	6,628	5.4	183,628	66.1

Source: 1954 U.S. Census of Agriculture, Vol. 1, pt. 33, pp. 2, 17.

Table III

Value of Land and Buildings, Production, and Expenditures for Hired Labor on Commercial Farms in California, by class of farm, 1954

Commercial farms, by class	Value of Products	Number of farms	Average Value Land & Bldgs. (000's)	Percentage of Value of Product, all farms	Percentage of Total Expenditure for Hired Labor, all farms
I	$25,000 & over	18,225	$217	75	80
II	10,000-24,999	20,125	68	15	12
III	5,000- 9,999	18,825	41	6	5
IV	2,500- 4,999	15,697	30	3	2
V	1,200- 2,499	12,922	25	1	1
VI	250- 1,199	3,452	20	.1	.2
		89,246			

Source: Based upon 1954 Census of Agriculture.

Table IV

Mexican and Oriental Population of California, 1930-1950*

Year	Born in Mexico	Chinese	Japanese	Hindus	Filipinos
1930	199,165	37,361	97,456	1,873	30,470
1940	134,312	39,556	93,717	.....	.....
1950	162,309	58,324	84,956	.....	.....

Source: Census

*Underscored figures show nationality as indicated by foreign birth; other figures show "race" irrespective of country of birth. The classification "Mexicans" was discontinued after 1930; data on Hindustanis and Filipinos not separately published in 1950 and 1950.

Table V

Mexicans, Chinese, Japanese, and Filipinos in California Engaged in Agriculture, Classified by Occupational Status, 1930

	Engaged in all Occupations	Status of Persons Engaged in Agriculture							
		Engaged in Agriculture		Farm Owners and Tenants		Farm Managers and Foremen		Farm Laborers	
	Number	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
Mexicans*	128,092	42,608	33.3	1,124	2.6	293	0.7	41,191	96.7
Chinese	20,453	2,641	12.9	361	13.9	83	3.1	2,191	83.0
Japanese	37,219	19,353	52.0	3,135	16.2	1,649	8.5	14,569	75.3
Filipinos	27,403	16,331	59.4	132	.8	99	.6	16,100	98.6

*"Mexican" here refers to Mexicans according to the census of 1930 and not to "persons born in Mexico," the figure used in column one of the preceding table.

II

History of Foreign Farm Labor in California

Foreign laborers migrating to the United States have played a peculiarly important role in California agriculture, particularly those coming from Asia and Mexico. (Table IV) Laborers of European origin, notably among them Italians, Spaniards, Portuguese, Russians, German-Russians, and Armenians, also have been important at one period or another in California agricultural history, and in one locality or another. Generally, these European (and Near Eastern) immigrants have served as farm laborers for only a few years, until able to acquire farms of their own. (U.S. Immigration Commission Reports, Vol. 24 (1911)) However, measured by numbers, the demands of California agriculture have been more effective in drawing people to the State as permanent farm wage workers than as self-employed farmers.

By 1930, at the end of a succession of steps taken to close the long historical era of unrestricted immigration, nearly all of the Chinese, Japanese, Filipinos, and Mexicans engaged in California agriculture were wage laborers. Only one-quarter of the Japanese, who were most successful among these groups in ascending the agricultural ladder, rose above the status of wage labor; of these, one-third were farm managers and foremen, rather than owners or tenants. (Table V. The high proportion of managers and foremen may have been owing, in large part, to legal restrictions on ownership and tenancy by persons at that time under legal limitation as "aliens ineligible to citizenship.")

The tendency of early large-scale landownership to retard self-employment and to favor large-scale farming in California was described earlier. The plenitude of foreign workers has had similar effect. Professor Warden Fuller has described how this occurred, from the beginning of California history.

> Native Indians, Chinese and disappointed gold-seekers were sufficient in the early years to supply the seasonal and casual labor needs of the large scale grain operators.
>
> Tentatively, the system of large scale specialized grain farms was tolerated, with the anticipation that the completion of the railroad would bring an influx of small farmer population and open up markets for a wider variety of production. It was supposed that when a small farm operator population began to arrive in the territory, the large land holdings would begin to be subdivided into family farms. To hasten this process, the State Agricultural Society offered small bounties for new lines of production and attempted to stimulate the migration to California of a small farmer population. Other immigration agencies also directed their endeavors towards building up a small farmer and small entrepreneurial population rather than towards an abundant labor supply.
>
> Despite these endeavors, the laboring constituents within the population grew more rapidly than the small entrepreneurial. During the seventies and eighties, when production and marketing

> conditions favored the transition from livestock and grain to intensive fruit farms, labor was abundant. Labor was so abundant, in fact, that it was possible to convert extensively cultivated farms into intensively cultivated farms without substantial subdivision of the land. This was possible because the labor supply was so large relative to employment opportunities that workers were available for casual and seasonal employment during temporary rushes. Chinese laborers were the principal constituent of this abundant casual labor supply.
>
> As casual laborers the Chinese were ideal. They worked in gangs under the direction of a "head boy" or "China boss." They did their own cooking and furnished most of their sleeping accommodations. This left the employers with little or no obligation with respect to living facilities. Furthermore, the employer dealt only with the "boss" who furnished the crew and took charge of the work. Since the Chinese were relatively young and had no families, they were very mobile.
>
> (The supply of agricultural labor as a factor in the evolution of farm organization in California, U.S. Senate Education and Labor subcommittee, supra, hearings, part 54, p. 19878.)

Thus the early availability of numerous Chinese laborers created enduring economic obstacles to growth of family farming in California. Fuller continues:

> Many community-conscious people believed the specialized large scale fruit farms likewise to be an abnormal development. Fruit growers themselves freely admitted this. It was frequently foreseen that eventually the labor needs of agriculture must be supplied by a more normal population--at least by a population with dependents. When legislation to cut off the additions to the Chinese labor supply was demanded by the metropolitan working class, farm employers made no resistance. A large proportion of the community, including the employers of the Chinese, presumed that this would bring an end to the supposedly transitional phase based on the employment of Chinese labor.
>
> But the transitional phase was not to be done away with so easily. Wherever intensive cultivation had already begun or was in prospect, land values were capitalized on the basis of actual or anticipated returns from the employment of the cheap and convenient Chinese labor supply. To the prospective small operator, this meant paying so high a price for land as to permit him a labor return approximately equal to the wages of Chinese. Since wages of Chinese were approximately equal to those prevailing in Europe and below the general level in the United States, such a prospect did not encourage either European immigrants or people from East to come to California. Established farm operators in the eastern states would have had to sell their less highly capitalized land in order to buy the more highly capitalized land of California, and pay the high costs of migration as well. And there were other factors discouraging to

> settlement of small farm operators. One of these was the relative heterogeneity of the soils and climate and the differences in systems of cultivation as compared with the more homogeneous eastern and midwestern areas. Such variability in conditions contributed to many failures, some of them arising out of incompetence, others out of fraud and misrepresentation in the sale of lands. The already high price of land was frequently augmented by the speculative possibilities of minerals, of oil, and of exotic forms of agriculture.
>
> Thus, in order to subdivide and sell the large holdings to prospective small operators, a considerable depreciation in valuation would have to be suffered. On the other hand, to perpetuate the large units would require an abundant labor supply. Although farm operators during the period 1876-1882 had made no resistance against the exclusion of further Chinese immigration, they soon after exclusion joined in concerted action to prevent the resident population from being driven away. Chinese antagonists, having secured exclusion legislation, (1882) proceeded further to demand removal of the Chinese already established in California. Farm employers now resisted this pressure by organizing protective associations which were active through 1885 and 1886. The early post-exclusion years also saw discussions of the possibilities of augmenting the labor supply from Mexico and Japan as well as actual attempts to augment it by importation of Negroes from the South.
>
> During this period of great concern about the labor supply--1883 through 1888--many employers agreed that there was no real or permanent solution of the "labor problem" short of a reorganization of agriculture such as would reduce the amount of dependence upon hired labor and decrease the proportion of seasonal and casual labor. Many employers declared their willingness to incur the losses which would be involved in making such an adjustment. But other elements in the employer group were determined to protect their immediate interests, by importation of labor, if necessary.
>
> (Ibid., pp. 19878-79.)

After Chinese exclusion in 1882, Japanese laborers began to play a role similar to that of the Chinese. At first they worked for less than either white or Chinese laborers. As Fuller writes:

> Nonavailability of Japanese (or other labor of characteristics resembling the Chinese) would probably have forced the reorganization of the intensive industries to a structural basis resulting in a more nearly equal distribution of income, instead of perpetuating and expanding the structure founded with the help of the Chinese.

However, the Japanese, once established, began to press for higher wages. By 1906, their popularity among employing farmers had declined, and the Fruit Growers Convention of that year asked for a reopening of the gates to Chinese immigration:

> Whereas, farm labor is becoming increasingly difficult to obtain, and in California especially the great fruit and wine industries are threatened with disaster unless some remedy be found to get more labor; therefore be it Resolved, that the fruit growers of California, in convention assembled, favor such modification of the Chinese exclusion act as will permit the enactment of laws making possible restricted immigration of laborers irrespective of nationality.
>
> (Ibid., p. 19835; Pacific Rural Press, Dec. 15, 1906, p. 370.)

The Los Angeles County Farm Bureau proposed an interesting modification of this position, preferring admission of Oriental laborers temporarily under bond, rather than as permanent immigrants to the United States. This proposal appears now as early forecast of the recent arrangements for temporary use of Mexican and Japanese laborers in California.

The contrast between the California farm labor problem and the National ideal of self-employment was thrown sharply into relief in 1911, when the Country Life Commission of President Theodore Roosevelt reported:

> There is a general, but not a universal, complaint of scarcity of farm labor. This scarcity is not an agricultural difficulty alone, but one phase or expression of the general labor supply problem.
>
> So long as the United States continues to be a true democracy, it will have a serious labor problem. As a democracy, we honor labor, and the higher the efficiency of the labor, the greater the honor. The laborer, if he has the ambition to be an efficient agent in the development of the country, will be anxious to advance from the lower to the higher forms of effort, and from being a laborer himself he becomes a director of labor. If he has nothing but his hands and brains, he aims to accumulate sufficient capital to become a tenant, and eventually to become the owner of a farm home. A large number of our immigrants share with the native-born citizen this laudable ambition. Therefore there is a constant decrease of efficient farm labor by these upward movements.
>
> (Country Life Commission, Report, pp. 91, 92, Chapel Hill ed., 1944.)

The remedy for the employer faced with labor shortage, according to the Commission, was not to press demands upon Government to supply workers at wages and conditions which the farmer believed he could meet. It was rather to stabilize employment, promote rural health, and make farm life more attractive to the laborer. The hard alternative was faced without blinking:

> All absentee and proxy farming (which seems to be increasing) creates serious social problems in the regions thus affected. . . . The country must meet the essential conditions offered by the town; or change the kind of farming." (Ibid., pp. 93, 94.)

This view, of course, has not been shared by large employing interests in California agriculture. In the 1920's, for example, the practical political issue was whether Congress should place Mexican laborers under the general quota restrictions on most foreign immigration. A spokesman for the Agricultural Legislative Committee of California in 1928 asked that Mexico should remain an exception, on the usual grounds of the need for laborers to alleviate the insufficiency of farm labor:

> We must have somebody in this country to do our work. Somebody, somewhere, has to do hard physical labor, because it is here to be done. If the American people refuse to do it, then what are we to do? Why, we must bring somebody else in from the outside who will do it. Under our present system of education, we must either bring somebody in here to do our hard work or we must go elsewhere for our foodstuffs and clothing. (Hearings before House Committee on Immigration and Naturalization, 70th Cong., 1st sess., on H.R. 6465, p. 307.)
>
> (U.S. Senate Education and Labor subcommittee, supra, hearings, part 47, p. 17285.)

Dr. Varden Fuller has pointed out how the "exceptional" nature of the California farm labor problem came to be regarded by more and more Californians as "normal".

> "Within the economic characteristics of the population there has been a powerful force towards large scale farming operations. With a continously abundant labor supply available to meet seasonal and casual needs, the opportunity to specialize in entrepreneurship was relatively great. Individuals with command of large amounts of capital could organize and operate large units, confident that they would be able to get enough extra labor during rush periods. This tendency was accentuated by the presence of individuals with relatively large capital backing.
>
> The frontier population of California, compared with that of the middle-western frontier, was much more heterogeneous--with extremes on both ends of the economic scale. The combination of such a population with the large land units of the Spanish and Mexican grants did not permit the establishment of a homogeneous structure of family farms in accordance with the ideals of the community.
>
> * * * * * *
>
> With the continuance of a cheap labor supply, augmented alternatively by immigration from low economic standard countries and by transfer of workers from non-agricultural industries during times of depression, there has come a change in the attitude of the community. During the sixties, the seventies and the early eighties the development of large scale farms was considered an abnormality which it was supposed would eventually give way to the more normal family farms. The activities of the State Agricultural Society and of the various immigration associations were directed towards realization of this transition. In the eighties when the "labor problem" began to emerge, farm employer interests

> commonly recognized that casual employment and a homeless existence for laborers were not consistent with American ideals of enterprise--farm employers ought to take the lead in improving the employment and living conditions of their laborers. Farm laborers (except for Orientals) ought to be helped to advance their economic position so as eventually to become operators themselves.
>
> By the turn of the century the terms of idealism had changed to this: The labor supply ought to be constituted of Americans rather than Orientals. Farm employer interests put on campaigns in the East to induce American farm laborers to migrate to California. But they made no endeavor to improve the terms of employment--with respect either to wages, amount of work, or living conditions--and so their program was a fiasco.
>
> Finally, by the twenties the concept of abnormality associated with employment of itinerant and casual workers had largely passed away. California agriculture was declared by nature to be such as to demand a permanent supply of itinerant laborers. Since white people refused to perform such "menial" tasks, such a labor supply by its very nature had to be "un-American". In demanding that immigration restriction upon Mexico should not prevent continued augmentation of the farm labor supply, employer spokesmen talked of the "practical versus Utopian" aspects of the farm labor problem--with the explicit interpretation that the status quo was "practical"--all else being "Utopian".
>
> (Ibid., pp. 19881, 82.)

It has been suggested occasionally that the efficiencies of large-scale agriculture are decisive in determining size of farm units in California. Fuller, supported by a more recent study by the U.S. Bureau of Agricultural Economics, denies this, pointing out that

> Large scale units are generally achieved by duplication of standard sizes of equipment rather than by employing continuously larger equipment. Selling economies associated with quantity operations have been achieved by cooperative marketing associations.
>
> (Ibid., p. 19881; J. Karl Lee, Economies of Scale of Farming in the Southern San Joaquin Valley, California, U.S.B.A.E., April 1946.)

This necessarily brief review of foreign farm labor in California is incomplete and passes lightly over the role of Mexican and Filipino laborers. These two were important, from World War I through the 1920's, as the Chinese and Japanese had been earlier, all of them essentially in the same role. Chinese immigration had been cut off in 1882. Japanese immigration was similarly barred in 1924.

Around 1930, the aspect of foreign farm labor in California changed completely. Further increments of Mexican laborers were cut off by sharply tightened administration of immigration laws. Granting of independence to the Philippines virtually terminated immigration from that source.

The onset of the Great Depression not only cut off further influx of foreign laborers into California agriculture; it expelled many already here. By family groups, as individuals, and by trainloads, Mexican laborers returned to Mexico, to remain there. They went home at private expense and at public expense, to relieve pressure on the welfare lists.

During the four-year period, 1930-1933, repatriates to Mexico from the United States exceeded emigrants by 270,000, or by ten to one. (Taylor, Mexican labor in the United States, Univ. of Calif. Publ. Econ., Vol. XII, p. 25.)

During the Great Depression no one proposed further introductions of foreign workers to fill the demands of agricultural employers in California. With the coming of World War II, however, efforts were renewed to increase the supply of foreign laborers. Senator Sheridan Downey, as chairman of a Special Senate Committee, declared, under stress of war drains upon manpower late in 1942, that "nothing can save the California farm industry for the next year except the importation of Mexican workers." (U.S. Senate Special Committee to investigate farm labor conditions in the West, 77th Cong., 2d Sess., on S. Res. 299, p. 142.) The floodgates of foreign farm laborers opened under that wartime stress have remained open.

About the same time that Senator Downey was urging wartime importation of Mexican laborers, Senators Robert M. LaFollette, Jr., of Wisconsin, and Elbert D. Thomas, of Utah, introduced bills on October 19, 1942, to decasualize farm labor, and to extend to it the protections of the National Labor Relations Act, Fair Labor Standards Act, and Social Security Act. These and other recommendations grew from the most intensive legislative investigation ever made of the California farm labor problem.

Among the purposes of the LaFollette-Thomas recommendations was to create an adequate and dependable body of farm laborers with a level of living acceptable by American standards.

A view had been expressed by a spokesman for employing interests in California agriculture that:

> We on the land have always recognized that California agricultural labor requirements made impossible to those people so employed the full efforts of American citizenship and the possibility of partaking of our normal standards of life. (U.S. Senate Committee on Education and Labor Report, 77th Cong., 2d Sess. S. Report No. 1150, Part 4, p. 665.)

The United States Senate Committee on Education and Labor, however, was not content to accept this view. Senator LaFollette, addressing the Congress, said:

> It is no coincidence that when manpower came into demand because of our all-out war effort the agricultural wage laborer, particularly the migratory part-time worker, who depended on industrialized or commercialized agriculture, sought to escape from his bondage of poverty and misery to the armed services and the urban factory.

> As a result there is no reliable agricultural labor supply. . . . Passing any discussion of the desirability or necessity . . . it is quite clear that a necessary preliminary to any wartime handling of farm labor is to give that labor the dignity, standards and rights accorded to other job occupations under our laws. "Job-freezing" for agricultural labor under present standards would only be self-defeating and a source of shame. . . . Indeed, in many low-wage sections it would approach "involuntary servitude," if not achieve it. No solution to this farm labor problem that does not apply the principles of the Atlantic Charter to men on our fields and farms will be effective."
>
> (88 Cong. Rec. 8319.)

One of the LaFollette-Thomas bills to stabilize farm labor, the "Agricultural Employment Stabilization" bill, proposed to "concentrate the bulk of available agricultural employment on the smallest number of workers and provide them with job security and job seniority in the agricultural labor market" in order to lengthen the period of annual employment.

The present State Senate Fact Finding Committee on Labor and Social Welfare might well give thoughtful consideration to the 1942 recommendations (See 88 Cong. Rec. 8325) by another Committee concerned with so many of our still unresolved farm labor problems.

III

History of Migratory and Interstate Farm Labor in California

Migratory laborers, moving from farm to farm, crop to crop, locality to locality, have been a familiar part of California's agricultural labor problem for more than ninety years. The President of the State Board of Agriculture, reporting to Governor H. H. Haight in 1868, complained of labor migration as one of the "evil effects" of wheat monoculture "felt by our whole population." He said:

> In planting, harvesting and marketing a single crop of grain, not over one-half of the year is necessarily consumed by our farmers. Thus, throughout our great agricultural districts, there is a season of active labor for all and a season of idleness for all. As a result of this management of the agricultural industry of the State, there is lost to these districts, and to the State at large, each year, the profits of nearly half the agricultural labor of the State. As another result, all that large class of persons who depend for a livelihood on daily labor upon our farms are, during all this idle season, thrown out of employment, and are consequently deprived of the means of subsistence, and to compensate them for this idle season, they are compelled to demand of their employers proportionately high wages while they do labor. The employers, from the exigency of their position in the busy season, are, in turn, compelled to comply with this demand. Thus it turns out, that for the year's operations the farmers themselves realize but about half what they should realize, and the labor they employ, though receiving double price for the time actually engaged, is but poorly paid. Hence, too, we find all these same laborers, during the balance of the year, running up and down through the State, with no money in their pockets, looking for employment. Such is their condition at this present time, as every farmer and every hotel-keeper in the country can testify. . . . What we want, above all things, to give us universal prosperity and constant and remunerative employment for all classes, is a diversified agriculture; an agriculture so varied in its products and so constant in its operations that it will require about an equal amount of labor every month in the year; . . .(Transactions, California State Agricultural Society, 1868-69, pp. 11-13.)

Crop specialization, large-scale landownerships, foreign laborers, and seasonal migration formed very early the complex of conditions framing the farm labor problem. The question of that day--the third quarter of the nineteenth century and early twentieth--was, as Varden Fuller has phrased it: "Reorganize agriculture or import new labor supplies?" The first biennial report of the California Bureau of Labor Statistics stated the issue in 1883-1884 in language not essentially different from that already employed by the State Agricultural Society. Commissioner John S. Enos said:

> Hitherto the one great objection to an increase of the unskilled white labor population in California has been, that necessary as it was to have more help during Summer and harvest, the manner of husbandry in this State was such as to assure those who labor for others, work only for three, or at the highest, five or six months during the year. It was admitted to be an unnatural condition of affairs, and one which should be remedied, but which, under prevailing circumstances, could not be changed, especially as long as Chinamen in sufficient numbers could be hired during the busiest seasons of the year. * * * The coming of Chinamen was tolerated and encouraged for many years. As a natural consequence they made for themselves a place in the industrial economy of the State, preventing thereby the natural increase and provision for a white laboring population. Employers could not expect white laborers to spring out of the ground, when the Chinese influx ceased; nor can they now expect to remedy the evil, which a short-sighted policy, preferring a homeless wandering heathen to a settled American with a family, brought upon them, without suffering the consequences. But the great danger is that they are unwilling to suffer these consequences, and that rather than undergo the annoyances of a settlement which would, once for all, put the question of labor upon a right basis, they will look only to the immediate future and continue to encourage or begin again to encourage Chinese immigration. * * * If the size of their landed estates and the mode of cultivating them preclude the employment of civilized labor under civilized conditions, it is better that such estates lay waste, than that they be made the means of perpetuating the coolie system. (California State Bureau of Labor Statistics, First biennial report, 1883-84, pp. 10-11.)

Interstate migration was bound into the same set of questions which so long faced California agriculture. Should immigration to the State be of farmers, or should it be of wage laborers destined to serve only as laborers? On the eve of completion of the transcontinental railroad, the State Board of Agriculture was clear in its own mind: California agriculture wanted immigrant <u>farmers</u>. The Board said:

> The only questions now open for discussion are: How shall we secure the most valuable immigration in the shortest space of time and in the most economical manner? . . . The class of immigration we most need in California is such as will come to make permanent homes for themselves and families. We want, above all others, persons skilled in a great variety of agricultural pursuits . . . Such as will buy land and become citizens and practical and prosperous farmers, or build shops and factories, and follow some mechanical or manufacturing occupation. In order to induce this class of persons to leave their homes and business in the Atlantic States and come here to reside we must promise them opportunities for making better homes and better businesses here. Are we prepared in good faith to make such promises? And, having made them, are we prepared in like good faith to fulfil them? So far as natural advantages, such as climate, soil and location are concerned, we are prepared to answer both these questions in the affirmative....

> There are, however, some clouds which throw a shade over the picture we might present to the immigrant. One of these, and perhaps the most difficult one to remove, is found in the fact that a large portion of this unoccupied and idle land has already passed from the hands of Government into the hands of capitalists and corporations, who purchased it in anticipation of selling at a large advance to immigrants, whom it was expected the completion of the Pacific Railroad would bring into our State. This fact becoming known abroad, has operated and is still operating to prevent such immigration, so that while the landholders have failed in their anticipated sales and profits, the State has been seriously injured and is still being injured. It is undoubtedly within the province of the Legislature to do much towards correcting this evil by enforcing an equalization of taxation, and by asking such action on the part of the General Government as will put a stop to this concentration of so much of our public lands in the hands of speculators . . . (Trans., Calif. State Agr. Soc., 1868-69, pp. 9,10.)

There is no doubt as to what Californians wanted at that time. The State itself declared the same policy in the 1879 Constitution, as already described, and early judicial decisions confirmed it. In 1905, when Senator Newlands, of Nevada, addressed Californians, he offered the help of the Federal Government and Federal reclamation funds to advance the State's own policy and help to realize the Nation's favored agricultural pattern in California:

> Here let me say that in my own opinion California has no greater curse than these large landed estates. To the Spanish or Mexican land grant was added the concentration of large areas of land secured from the Federal Government, part of the National domain, obtained either under lax laws or by evasion or mal-administration of the laws. I have no word of censure to apply to the men who own these grants, or who now own these large areas of land. I only condemn the policy which made land monopoly possible on this coast and throughout the arid region.
>
> And so it is essential that here in this valley you create a public opinion that will impress large landed proprietors themselves with the wisdom of the provisions of the National Reclamation Act, and which will make them coadjutors with yourselves in this great work, their interest being the securing of purchasers for land otherwise almost unsalable.
>
> Now, my friends, how are we to get the money, assuming that public sentiment is all right; assuming that public opinion is favorable? And here let me say that public opinion can be brought to bear with such force upon your representatives in Congress and brought with such force upon their associates in Congress as to compel the serious consideration of this matter. But you must first discuss it seriously among yourselves. You must have no divisions here. You must have a united public sentiment. If you have that in the Sacramento Valley, you will impress your State, your State will impress the entire arid region, and the entire arid region will press your views upon the Congress of the United States with beneficial results. . . . The ultimate

sum expended upon the arid lands of the West would astonish you if you were to make the calculation.

(Sacramento Valley Development Association, Bulletin No. 23, p. 15.)

The Federal help proffered by Senator Newlands in 1905 actually reached California on a large scale a generation later during the Great Depression. Large landownerships generally welcomed the financial generosity of Federal reclamation, but generally have resisted reconstitution of agriculture in the direction of self-employment in conformity to State policy and federal law.

Immigrant laborers from Mexico augmented the State's seasonal farm labor supply in large numbers, beginning shortly before World War I and continuing through the nineteen twenties. They, and Filipinos, comprised the main foreign elements of migratory labor in California during that period, travelling annually in great cycles from Imperial Valley in the South to the Sacramento and Napa Valleys in the North, and back.

White laborers from the Southwest, and some Negroes, were attracted to California as early as about 1909, when cotton was planted in Imperial Valley. These laborers, mainly from farms and small towns of Texas, Oklahoma, and Arkansas, followed cotton plantings as these expanded northward into the San Joaquin Valley during the nineteen twenties and thirties, either seasonally or to remain. Southwestern white laborers, Mexicans, and Negroes, in that numerical order, already made up the body of striking pickers of the great cotton strike of the San Joaquin Valley in 1933.

As a labor force, seasonal and migratory workers have been the focus of public concern from varied points of view. They have lacked the protections inherent in the working-farmer hired-man relationship of the family-size farm pattern. Their position resembles rather that of industrial workers whose protections come in varying degrees from public action, enlightened management and personnel policies, and self-organization.

The California Emergency Relief Administration found in 1936 that average employment of 775 cases of agricultural workers on relief was six months, and average earnings declined steadily from $343 in 1930 to $289 in 1935. (State Relief Administration of California, Migratory labor in California, 1936, pp. 119, 121.) The Farm Security Administration of the United States Department of Agriculture found in 1938 that three-fourths of 6,655 California migrant households studied to which it made grants for subsistence, had come from four states--Oklahoma, Texas, Arkansas and Missouri. Responding to financial pressures of mounting relief loads, California raised residence requirements to qualify for relief from one to three years, shunning financial burdens and avoiding responsibilities for integrating the migrant laborers of California agriculture into our population. Nevertheless, Southwestern white laborers have continued to come to California ever since, either seasonally or to remain.

The State of California gave impetus to State inspection of employers' housing for agricultural workers after the great Wheatland hop-pickers riots

in 1913. Carleton Parker, in his famous report to Governor Hiram Johnson and the United States Industrial Relations Commission, said:

> It is the opinion of your investigator that the improvement of living conditions in the labor camps will have the immediate effect of making the recurrence of impassioned, violent strikes and riots not only improbable, but impossible, and, furthermore, such improvement will go far toward eradicating the hatred and bitterness in the minds of the employers and the roving, migratory laborers. This accomplished, the two conflicting parties will be in a position to meet on a saner, more constructive basis in solving the further industrial problems as to wages, etc.
>
> (U.S. Senate Committee on Education and Labor, supra, p. 20073)

Notwithstanding State inspection, bad housing among migrants reached another crisis in the nineteen thirties. Squatters' camps sprang up all over the State, by roadsides, in creek bottoms, along ditch banks, in fields. State inspection applied only to employers' camps; it could not reach the squatters to alleviate their condition. The State Immigration and Housing Commission report of 1932 pointed to this no-man's land in public administration:

> Groups of persons arrive at any given community and start a camp. No provision is made for sanitation, water supply or even general camp cleanliness. Such housing accommodation as they may have is eked out by wood, tin, or such cast-off material as can be obtained in the vicinity. A sorry picture is presented of a condition that threatens to be a serious menace to those communities where squatter camps exist. Moving the occupants away simply spreads the condition and local authorities are loath to act against people who came there in the hope of securing some employment. The division's attention has been called to a number of these squatter camps during the last winter, but has no legal authority to take remedial steps. . .

The State of California took no action to extend the jurisdiction of its camp inspectors or otherwise meet the problem of the squatters' camps. The Federal Government, however, cleaned up the squatters' camps by establishing a chain of public camps for migratory laborers from Brawley to Marysville. (Perspective on housing migratory agricultural laborers, Land Economies, Vol. XXVII, No. 3, pp. 193-204, August, 1951.) Action was taken first by the Emergency Relief Administration followed by action by the Congress. The Federal Relief Administration received cooperation from the City Council of Marysville and the Board of Supervisors of Kern County in establishing the two first camps. Operation of these camps, originally federal, is now a responsibility of public housing authorities in the California counties in which they are situated.

The State assumed determination of minimum wages for agricultural workers as a public function for a time, during later Depression years. The question raised at that time was not: What is a sufficient minimum standard? but rather: At what wage rates shall public relief be cut off, and what recipients shall be told to rely on earnings from an unsure employment in agriculture in lieu of the meager security of public relief? These questions, posed in a glutted labor market, were hard to answer.

The great efforts of the National Administration during the nineteen thirties to protect American workers with social security, fair labor standards, and labor relations legislation, regularly excluded laborers in the Nation's agriculture, the agriculture of California of course included. At that time large-scale employing interests of California agriculture were generally opposed to extension of these protections to their laborers. The very early attitude of one large-scale California vineyardist and orchardist, Wylie Giffin, stands out by contrast. He testified before the United States Industrial Relations Commission in 1914 that

> . . . personally I have come to the belief that it would be a good thing if farm labor could be organized. In fact, I think it is the only way that they will ever get what they are entitled to, and that the solution should come through organizations of their own rather than through legislation. I have been forced to that belief against my own prejudices, because of the fact that the laborers, as I see them, that are organized, are the only people that have been able to raise their wages as the price of living has gone up. And the rest are suffering. It seems to me the only solution. And as an employer of labor, I would welcome the unionization of the common laborer, if it can be done. I don't know that it can be done. (U.S. Industrial Relations Commission, Vol. V, p. 4970.)

Sporadic efforts to organize agricultural laborers in the 1930's failed generally, as they had failed before World War I. Their principal successes were in conducting or threatening strikes to obtain improvement, or to resist impairment of conditions, rather than in building enduring organization. Some durable organization was achieved among workers processing agricultural products, and among sheepshearers and dairy employees. (Labor unionism in American agriculture, U.S. Dept. of Labor, Bulletin 836; Helen B. Lamb, Western lettuce industry; Ernest Feder, Milkers unions of San Francisco and Los Angeles milk sheds: an inquiry into modern industrialized and collective bargaining in agriculture, Journal of Farm Economics, Vol. 32, No. 3, August, 1950, pp. 458-477.)

* * * * *

The most promising directions for improvement in California farm labor conditions appear in the light of California agricultural history, I believe, with some clarity.

1. Encourage self-employment in agriculture, in accord with the policy embodied in the State constitution of 1879, and in Federal reclamation law through its excess land law. The Legislature, by Constitutional amendment if that is legally necessary, can apply an excess land provision to the State Water Plan.

2. So far as industrial labor market characteristics actually prevail in California's agriculture, extend appropriate legal protections of employment, labor relations, social security, and fair labor standards by public action. Introduce advanced personnel and employment practices and labor relations, through the initiative of employers, or of employees' organizations.

3. Avoid reliance on a disorganized chaotic labor market, fed liberally from other states or from foreign countries, which offers little prospect of encouraging amelioration of the California farm labor problem.

At a Section Meeting of the Commonwealth Club of California in 1936, the subject under discussion was about the same as the subject now before this State Senate Committee. A former organizer for the Cannery and Agricultural Workers Industrial Union--the Communist-sponsored union that led a succession of farm labor strikes in California in early years of the Depression--expressed this view:

> I do not know how you are going to settle the problem of the migratory worker. There have been very scant suggestions here tonight. Personally, I do not think you are able to find a solution for the migratory labor problem. Some day -- we will. (Transactions of the Commonwealth Club of California, San Francisco, Vol. XXX, No. 5, 1936, p. 189.)

We need not accept this view. We have a record of achieving some solutions already. We do not lack for promising ideas for more improvements and solutions. With reasonable cooperation from public, from employers, and from laborers in agriculture, it is surely possible to take effective steps to enable employment in California agriculture to provide a more decent living and respected occupation for all.

J. MILLER

TESTIMONY
Presented at Hearing of
Senate Fact Finding Committee on Labor and Welfare
by
J. J. Miller
Agricultural Producers Labor Committee

January 26, 1960

Chairman Cobey and Members of the Committee:

My name is J. J. Miller. I am Manager of Agricultural Producers Labor Committee.

In the early planning of these hearings, your Committee Secretary, Mr. Andrew W. Oppmann, Jr., consulted with us and, at that time, it was determined that we should conduct a survey of as many farm employers as time would permit. This survey was to seek information relating to farm employment and specifically to the experience of employers with the domestic referrals by the Department of Employment, as well as the direct employment of domestic workers either recruited by the employer or those workers who presented themselves at the place of employment.

The results of this survey as tabulated by John F. Forbes & Company, Certified Public Accountants, in two letters dated January 5, 1960, and January 6, 1960, are attached and made a part of this statement.

Before commenting on the survey, I should like to make several observations. Hadley Read, Extension Editor, University of Illinois, says:

> "With agricultural population declining and the population outside of agriculture increasing, more and more people do not know much about us - and some of the things they think they know just aren't so.
>
> "Agriculture needs more right people saying the right things in the right way at the right time to the right people."

In my humble opinion, this is a very sage and true observation stated far better

than I could have said it.

People living in the cities and our metropolitan areas who like to eat well and hope that their children and their grandchildren will also eat well, rarely, if ever, understand the importance of farming and particularly the importance of their being in possession of the true facts relating to national and state policies dealing with agriculture in all of its aspects. It is difficult for a city resident to pay much attention to the farm situation. Even though he is fed, clothed, and sheltered by resources from areas he never sees, he seldom wonders how this all comes about. As a result of his lack of knowledge on this very important part of our economy, he is uninterested in encouraging his elected representatives to practice restraint and control in restrictive legislation and policies dealing with farmers and farm operations. I feel certain that if you were to ask 99 out of 100 people walking down any main street of a metropolitan area what percentage of the farms in California depend on subsidies by the federal government, the answers would be the exact opposite of the facts as they truly exist and, in this connection, I would like to compliment, for the record, two recent papers. One is entitled, SOME FACTS ABOUT CALIFORNIA AGRICULTURE, prepared by D. M. Rutherford, Extension Information Specialist, and Kenneth R. Farrell, Extension Economist - Marketing, University of California. I would call your attention to two paragraphs appearing on Page 3 of this document which read as follows:

> "California farmers depend less upon subsidies by the federal government than do those of most other states. In 1958 California's share of receipts from farm marketing of 'basic' commodities receiving supports was well below the national percentage: California, 11.7%; the national average, 21.0%.
>
> "Of California's 1958 cash revenue from farm marketing, 70.2% was from unsupported commodities, while the national percentage was 57.3."

The second article is, TRENDS AND CHANGES LEADING TO ADJUSTMENTS IN THE

CALIFORNIA FRUIT AND NUT INDUSTRIES, by Kenneth R. Farrell and Eric Thor, Extension Economists - Marketing, University of California, Berkeley. From this article, appearing on page 3, I should like to include for this record, paragraph a as follows:

"a. Increasing factor costs and changes in on-farm resource mix

"Prices paid by farmers have increased about 2½ times since 1935-1939. Wage rates are nearly five times as high, and are still climbing; prices of power and machinery have more than doubled. In comparison to the immediate post-war years, cost rates paid by farmers have increased about 1/3; wage rates have risen almost continusouly year by year following World War II, and, at the present time, are roughly 50% higher than in the immediate post-war years. Prices of farm machinery, farm supplies, and motor vehicles have also shown substantial increases. Fertilizer prices, however, have remained relatively constant during the 1950's. While factor costs and total production expenses have increased substantially since the War, production expenses per unit of output generally have leveled off since about 1951. With the likelihood of continued rising factor costs, it will be necessary for California fruit and nut growers to continually appraise and adjust the combination of their resources to achieve most profitable levels of output in the years ahead. On the assumption that current trends in factor costs will persist into the future, it is likely that there will be need for a further substitution of capital for labor in both the pre- and post-harvesting stages of fruit and nut production on California farms. While certain characteristics of fruit crops do not lend themselves to a high degree of mechanization with the technology now available, new technological developments, particularly in the area of harvesting and post-harvest handling, can be expected. As these labor-saving innovations are developed, and with a continuation in the rise of wage rates likely, further substitution of capital for labor on farms will become an economic necessity."

These are interesting observations and have a great bearing on the subject of this statement for it has been charged on many occasions by responsible people making irresponsible charges that the conditions which are reflected in the attached surveys would not have occurred should the wages paid be such as to avoid this condition.

I think the paragraph quoted above is most eloquent in its thesis, i.e., showing the tremendous advances in wage rates as compared to farm income and what the farmer has to pay for things he uses in the pursuit of his profession.

In this regard, may I respectfully refer to wage rates as represented in U. S. Department of Agriculture's July 10, 1959, Agricultural Marketing Service report, pages 4, 8, 9, and 10, copies of which are attached and made a part of this statement. This information, along with the scholarly report by Messrs. Farrell and Thor, taking into consideration economic factors, should, to all responsible and prudent men, end the myth that agricultural wages have not increased, as some responsible official has stated.

Now to discuss the tabulation of the results of our Survey as compiled by John F. Forbes & Company.

According to these data, the domestic field labor referrals by the California Department of Labor, Farm Placement Service, during the period from January 1 to September 30, 1959, were substantially less effective than the domestic field labor recruitments from other sources. The effectiveness of each group is set forth in the following:

	..... Men		Man Days Worked (approximate)	
	Number	Ratio	Number	Ratio
Referrals by the California Department of Labor, Farm Placement Service	2,483	83%	19,036	45%
Recruitments from other sources .	511	17	23,427	55
Total	2,994	100%	42,463	100%

While the referrals comprised 83% of the total man power represented in the two groups, their reported effectiveness amounted to only 45% of the total. The recruitments from other sources accounted for 17% of the man power and 55% of the work.

The man days worked approximation was made by assuming that each man

worked the average number of days included in each bracket reported upon, as shown in the following examples:

..... Days Worked .... Bracket	Average	Men	Man Days Worked (Average x Men)
None	0	1,242	
Less than 1	1/2	85	42
1 to 3	2	365	730
4 to 7	5-1/2	270	1,485
8 to 14	11	223	2,453

The man days for those who worked over 120 days represent actual days reported; averages were not used.

To further point out the necessity of having an adequate labor supply particularly in critical crops such as tomatoes, we respectfully call your attention to a letter addressed to us by Mr. Merlyn L. McIntyre of Sierra Dawn Farms, Hemet, California:

> "I am writing this in the hope that in some way somehow you can use this information in your efforts to keep the foreign labor program as we now have it.
>
> "In the year of 1959 we signed a contract with a cannery to produce tomatoes at $21.50 per ton roadside. Although it was our first venture into this particular crop, it was very good, production-wise. Approximately 6 weeks before we were to start harvesting we made application with the Farm Placement Service in Fresno for approximately 60 to 70 pickers. We were told by the Service that they felt the pickers would be available when we needed them. We suggested that in order to save time in the event local help was not available, we be certified to hire Mexican Nationals. We were informed that we could not be certified at that time because we did not yet need them. So when the crop was at the harvest stage, we hired the services of a licensed labor contractor to secure a domestic picking crew for us. We also attempted to recruit people on our own, with the result that we finally had a crew of approximately 16 to 20 pickers. About this time the weather turned extremely warm and the tomatoes ripened very rapidly. We made every effort humanly possible to get additional help, but to very little avail. Finally, after approximately 2 weeks of pleading with the Farm Placement Service, we were allowed to use Mexican Nationals. The domestic pickers which we had been using up to this point were being paid 14¢ per box and averaging approximately 50 boxes per day, although they did not work a full day. They would invariably show up late to work or leave early. The day that the Mexican Nationals arrived, after riding about 700 miles the day before,

each man picked approximately 100 boxes working side by side with the domestic pickers in the same field. We continued hiring all the domestic labor that we could get in addition to the Mexican National crew, and never at any time had a surplus of help.

"The irony of the whole thing is the fact that shortly after this I read in the paper an article by Governor Brown to the effect that through the efforts of the Farm Placement Service and all concerned, no farmer in California would suffer a financial loss due to the lack of harvest help this year. It would be very hard for us to determine our loss in dollars and cents because we have no way of determining the exact pounds or tons lost, but it was very evident looking at the field that we lost a substantial part of our crop."

For your further study and records, we are attaching as an additional exhibit, the results of a survey similar to the survey contained in this report, but concluded in February, 1958. In this connection, I should like to read to the Committee, one of the letters accompanying the survey of one employer group:

"The attached report covers with but very few exceptions the domestic activity here since November 1957. The volume is, to say the least, startling and the results discouraging.

"By count there were 343 men passed through our doors during this time and they worked a total of 1920 man hours. In order to complete the number of man hours of work we did during our last fiscal year ending October 31, 1957, 1,325,000 man hours, and using this source of labor, we will need no less than 239,000 men.

"I don't believe that any comment I can make at this time will change the situation but if this is the labor supply we are being asked to use by some anti-Mexican National groups, God help the farmer.

"An interesting study might be to determine how many of these men have been from employment office to employment office seeking employment and after being referred to a job, go on to the next town. Would this have any helpful effect upon the situation."

In conclusion, it seems to us that we have every right to expect that our state officials will give greater consideration to the industry which contributes so greatly to the economy of the state and will permit the establishment and maintenance of a <u>separate</u> and identifiable farm placement agency, staffed with people technically trained and completely familiar with farm labor requirements

and having a working knowledge of the highly specialized crops produced in California.

May I sincerely thank the Committee for the time you have given me and may I express the sincere hope of all of our people that constructive improvements in the administration of the farm labor program in California will be forthcoming. We must avoid a recurrence of the happenings described in Mr. McIntyre's letter and labor shortages such as are detailed in the news story appearing on the front page of the LOS ANGELES TIMES, dated August 17, 1959, a copy of which is attached as part of this statement.

Please, we beg of you, send us your unemployed qualified workers but do not send us the unemployable.

Respectfully submitted,

J. J. Miller

J. J. Miller, Manager
Agricultural Producers Labor Committee
129 South Alvarado Street
Los Angeles 57, California.

Attachments made a part of this statement:
John F. Forbes & Company letter dated January 5, 1960
John F. Forbes & Company letter dated January 6, 1960
List of areas covered by this Survey
Agricultural Marketing Service report, dated July 10, 1959, - Pages 4-8-9-10
1958 Survey
Copy LOS ANGELES TIMES - Local News Page 1 - August 17, 1959

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JOHN F. FORBES & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

PACIFIC MUTUAL BUILDING
LOS ANGELES
14

January 5, 1960.

Agricultural Producers Labor Committee,
129 South Alvarado Street,
Los Angeles, California.

Dear Sirs:

In accordance with your request, we have compiled without audit from data submitted to us the number of days worked by domestic field labor referrals by the California Department of Labor, Farm Placement Service, to citrus packing houses and labor associations during the period from January 1 to September 30, 1959. In some instances the data furnished to us included statistics covering men hired through sources other than the Farm Placement Service and these have been eliminated where possible. In one instance the data included statistics covering referrals of November and December, 1958, but these have not been eliminated.

The data compiled in accordance with the above are set forth in the accompanying statement and are summarized in the following:

	.....Men.....		Man Days (approximate)	
Days Worked	Number	Ratio	Number	Ratio
None,.....	1,242	50.0%		
Less than 1,.....	85	3.4	42	.2%
1 to 3,.....	365	14.7	730	3.8
4 to 7,.....	270	10.8	1,485	7.8
8 to 14,.....	223	9.0	2,453	12.9
15 to 30,.....	156	6.3	3,510	18.4
31 to 45,.....	55	2.2	2,090	11.0
46 to 60,.....	19	.8	1,007	5.3
61 to 120,.....	49	2.0	4,434	23.3
Over 120,.....	19	.8	3,285	17.3
Total,....	2,483	100.0%	19,036	100.0%

Agricultural Producers
Labor Committee - 2.

January 5, 1960.

In our opinion, the accompanying exhibit presents fairly the domestic field labor referral data reported to your committee by citrus packing houses and labor associations using the California Department of Labor, Farm Placement Service, during the period from January 1 to September 30, 1959, as described in the first paragraph of this letter.

Yours truly,

John F. Forbes & Company

AGRICULTURAL PRODUCERS LABOR COMMITTEE

SURVEY OF DOMESTIC FIELD LABOR REFERRALS BY THE CALIFORNIA DEPARTMENT OF LABOR, FARM PLACEMENT SERVICE, TO CITRUS PACKING HOUSES AND LABOR ASSOCIATIONS, JANUARY 1 TO SEPTEMBER 30, 1959

(Prepared without audit from data submitted)

			DAYS WORKED								
CODE	MEN	NONE	LESS THAN 1	1-3	4-7	8-14	15-30	31-45	46-60	61-120	OVER 120
101	30	2	1	3	4	2	5	3	2	4	4
102	26	14	2	7	3						
103	57	22	4	12	5	7	4		3		
104	3		3								
105	20	9		2	8				1		
106	11	6		1	4						
107	656	310	7	127	82	74	35	11	6	3	1
108	257	174	7	14	21	21	12	5		3	
109	130	27	17	20	13	12	27	4	3	7	
110	58	37	1	12	3	1	3			1	
111	146	68	3	17	17	13	9	4	2	6	7
112	26	14		5	2	2	2			1	
113	33	23	2	1			2	1		3	1
114	31	23		4	1	2	1				
115	20		1	7	4	4	3		1		
116	3			1		1	1				
117	16	13		1	2						
118	191	62	7	26	29	38	21	7		1	
119	13			4	2	5	2				
120(a)	27		2	5	6		5	1		6	2
121	11	4		2	1	2	1				1
123	2			1		1					
124	30	14	4	7	2			2		1	
127	332	236	2	32	30	19	9	2	1	1	
128	5	1	1	2						1	
129	8		6		1	1					
130	2	1		1							
134(b)	133	67	12	14	15	5	3	8		6	3
136(a)	9			2	3	3		1			
138	4	1		1				2			
141	63	54	1	4	1	2	1				
143	41	30	1		1	1	3	2		3	
146	89	30	1	30	10	7	7	2		2	
TOTAL	2,483	1,242	85	365	270	223	156	55	19	49	19
RATIO	100.0%	50.0%	3.4%	14.7%	10.8%	9.0%	6.3%	2.2%	.8%	2.0%	.8%

(a) Includes men who were not referred by the Farm Placement Service.

(b) Period commencing November 1, 1958.

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CERTIFIED PUBLIC ACCOUNTANTS

PACIFIC MUTUAL BUILDING
LOS ANGELES
14

January 6, 1960.

Agricultural Producers Labor Committee,
129 South Alvarado Street,
Los Angeles, California.

Dear Sirs:

The following summarizes the local recruitment statistics excluded from our report of January 5 to your committee. These statistics cover domestic field labor recruitments from sources other than the California Department of Labor, Farm Placement Service. In most instances, these men simply applied for work at the citrus packing houses and labor associations.

	.....Men.....		Man Days (approximate)	
Days Worked	Number	Ratio	Number	Ratio
None,.....	22	4.3%		
Less than 1,....	4	.8	2	
1 to 3,.....	69	13.5	138	.6%
4 to 7,.....	64	12.5	352	1.5
8 to 14,.....	60	11.8	660	2.8
15 to 30,.....	87	17.0	1,958	8.4
31 to 45,.....	41	8.0	1,558	6.6
46 to 60,.....	38	7.4	2,014	8.6
61 to 120,.....	60	11.8	5,430	23.2
Over 120,.....	66	12.9	11,315	48.3
Total,.....	511	100.0%	23,427	100.0%

Details of the foregoing are set forth in the accompanying exhibit.

Yours truly,

John F. Forbes & Company

AGRICULTURAL PRODUCERS LABOR COMMITTEE

LOCAL RECRUITMENTS EXCLUDED FROM SURVEY OF DOMESTIC FIELD LABOR REFERRALS BY THE CALIFORNIA DEPARTMENT OF LABOR, FARM PLACEMENT SERVICE, TO CITRUS PACKING HOUSES AND LABOR ASSOCIATIONS, JANUARY 1 TO SEPTEMBER 30, 1959
(Prepared without audit from data submitted)

		.....DAYS WORKED.....									
CODE	MEN	NONE	LESS THAN 1	1-3	4-7	8-14	15-30	31-45	46-60	61-120	OVER 120
106	19	1		4	4	4	3	1	2		
108	17	2		2	3	5	3				2
111	30	18		1	2	1	5	1	2		
114	4				1			1			2
115	20					4	11	2		3	
116	5							3			2
117	15			1	7	3		1	1	1	1
118	23	1		8	3	4	3	2	1	1	
119	72			7	8	8	7	2	5	14	21
121	34			3	4	1	9	6	4	3	4
123	7				3	1	1		1	1	
130	3		1			1	1				
132	28		1	5	6	4	7	1	3	1	
133(a)	143			13	9	13	24	11	10	31	32
135	82		2	25	12	11	9	10	8	5	
138	9				2		4		1		2
TOTAL	511	22	4	69	64	60	87	41	38	60	66
RATIO	100.0%	4.3%	.8%	13.5%	12.5%	11.8%	17.0%	8.0%	7.4%	11.8%	12.9%

(a) Includes men hired prior to January 1, 1959.

AREAS COVERED BY SURVEY

Visalia	Riverside
Piru	Hamilton City
Port Hueneme	San Fernando
Placentia	San Diego
Santa Paula	Upland
Corona	Oxnard
Ventura	Fillmore
San Gabriel	Cucamonga
Saticoy	Villa Park
Escondido	Carpinteria
Redlands	Fallbrook
Richgrove	Rialto
Porterville	Indio
Montalvo	Anaheim
Lindsay	Santa Barbara

Farm employment and indexes for week of June 21-27, 1959,
United States, with comparisons

	June average 1954-58 1/	June 22-28, 1958	May 24-30, 1959	June 21-27 1959
FARM EMPLOYMENT (Thousands of persons)				
Total	9,239	8,731	8,112	8,651
Family labor	6,520	6,061	6,070	5,942
Hired labor	2,719	2,670	2,042	2,709
FARM EMPLOYMENT INDEXES (Adjusted for seasonal variation, 1910-14=100)				
Total	59	56	54	55
Family labor	59	55	53	54
Hired labor	58	57	56	58

1/ Employment during the last full calendar week ending at least one day before the end of the month.

---oOo---

Farm wage rates, indexes, and related data, July 1, 1959,
United States, with comparisons 1/

	April 1, 1958	July 1, 1958	April 1, 1959	July 1, 1959
FARM WAGE RATES				
Per month with house	$165.00	$181.00	$179.00	$196.00
Per month with board and room	132.00	135.00	140.00	145.00
Per week with board and room	33.00	34.00	34.50	36.00
Per week without board or room	41.25	42.75	44.25	46.75
Per day with house	4.65	4.60	5.00	5.10
Per day with board and room	5.40	6.40	5.80	6.70
Per day without board or room	5.80	5.80	6.20	6.40
Per hour with house	.68	.87	.73	.90
Per hour without board or room	.94	.96	.99	1.00
Composite rate per hour 2/	.657	.728	.718	.796
FARM WAGE RATE INDEXES (1910-14=100)				
Adjusted for seasonal variation	567	566	620	618
RELATED INDEXES (1910-14=100)				
Prices received by farmers 3/	264	254	244	248 *
Ratio of prices received to farm wage rates	47	45	39	39

1/ Wage rates on the average refer to a date two or three days before the first of the month.
2/ Weighted average of all rates on a per hour basis.
3/ Average of the 15th of the given and the 15th of the previous month.
* June 15, 1959.

Farm wage rates by geographic regions,
July 1, 1959, with comparisons

Geographic regions	April 1, 1958	July 1, 1958	April 1, 1959	July 1, 1959
	Dollars	Dollars	Dollars	Dollars
PER MONTH WITH HOUSE				
New England	198.00	197.00	202.00	202.00
Middle Atlantic	191.00	194.00	196.00	198.00
East North Central	180.00	178.00	186.00	189.00
West North Central	173.00	177.00	182.00	186.00
Mountain	215.00	212.00	226.00	228.00
Pacific	257.00	260.00	273.00	275.00
PER MONTH WITH BOARD AND ROOM				
New England	148.00	149.00	161.00	150.00
Middle Atlantic	136.00	138.00	141.00	139.00
East North Central	132.00	131.00	138.00	139.00
West North Central	135.00	140.00	142.00	147.00
Mountain	164.00	166.00	167.00	174.00
Pacific	198.00	200.00	206.00	211.00
PER WEEK WITH BOARD AND ROOM				
New England	40.50	39.75	40.50	40.75
Middle Atlantic	35.50	36.25	37.50	36.75
PER WEEK WITHOUT BOARD OR ROOM				
New England	54.00	54.00	55.25	55.25
Middle Atlantic	48.00	49.25	50.50	50.50
PER DAY WITH HOUSE				
South Atlantic	4.80	4.45	4.75	4.55
East South Central	3.70	3.75	3.70	3.90
West South Central	5.20	5.40	5.40	5.60
PER DAY WITH BOARD AND ROOM				
East North Central	6.50	6.70	6.80	7.00
West North Central	6.80	7.20	7.00	7.60
PER DAY WITHOUT BOARD OR ROOM				
New England	9.30	9.20	9.40	9.40
Middle Atlantic	8.50	8.00	8.70	8.80
East North Central	8.10	8.30	8.60	8.80
West North Central	8.50	9.00	8.80	9.40
South Atlantic	5.50	5.20	5.40	5.50
East South Central	4.30	4.45	4.40	4.60
West South Central	5.90	6.20	6.00	6.30
Mountain	8.30	8.70	8.50	8.90
PER HOUR WITH HOUSE				
South Atlantic	.58	--	.59	--
East South Central	.48	--	.49	--
West South Central	.82	--	.84	--
Pacific	1.08	1.09	1.10	1.12
PER HOUR WITHOUT BOARD OR ROOM				
New England	1.14	1.12	1.13	1.13
Middle Atlantic	1.07	1.08	1.09	1.09
East North Central	1.04	1.06	1.06	1.08
West North Central	1.06	1.05	1.05	1.09
South Atlantic	.72	.65	.71	.68
East South Central	.58	.59	.60	.61
West South Central	.73	.73	.74	.73
Mountain	1.00	1.01	1.00	1.03
Pacific	1.16	1.17	1.17	1.19

Farm wage rates by regions and States, July 1, 1958 1/

Region and State	Per month: With house	Per month: With board and room	Per week: With board and room	Per week: Without board or room	Per day: With house	Per day: With board and room	Per day: Without board or room	Per hour: With house	Per hour: Without board or room	Composite rate per hour	Indexes of composite rates 1910-14=100 2/
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Maine	195.00	144.00	35.50	51.50	-	-	8.60	-	1.03	.892	537
N. H.	196.00	146.00	39.50	55.00	-	-	9.40	-	1.08	.954	622
Vt.	178.00	145.00	36.00	49.00	-	-	8.90	-	1.10	.911	587
Mass.	209.00	154.00	45.00	58.50	-	-	9.80	-	1.20	1.031	674
R. I.	215.00	157.00	46.00	60.50	-	-	10.00	-	1.18	1.042	724
Conn.	215.00	159.00	46.50	60.50	-	-	10.10	-	1.24	1.065	734
New Eng.	197.00	149.00	39.75	54.00	-	-	9.20	-	1.12	.957	619
N. Y.	200.00	141.00	37.00	51.50	-	-	8.80	-	1.11	.944	538
N. J.	219.00	160.00	41.00	52.75	-	-	9.50	-	1.14	.985	548
Pa.	177.00	126.00	33.50	46.00	-	-	7.90	-	1.02	.858	629
M.A. Atl.	194.00	138.00	36.25	49.25	-	-	8.80	-	1.08	.917	588
Ohio	165.00	124.00	-	-	-	6.50	8.00	-	1.05	.811	585
Ind.	166.00	120.00	-	-	-	6.10	7.70	-	1.03	.787	579
Ill.	187.00	146.00	-	-	-	7.40	9.00	-	1.08	.871	620
Mich.	193.00	129.00	-	-	-	6.70	8.40	-	1.05	.829	573
Wis.	182.00	137.00	-	-	-	6.70	8.60	-	1.06	.837	546
E.N.Cent.	178.00	131.00	-	-	-	6.70	8.30	-	1.05	.827	574
Minn.	176.00	140.00	-	-	-	7.50	9.50	-	1.10	.883	534
Iowa	184.00	151.00	-	-	-	8.00	9.80	-	1.09	.963	524
Mo.	147.00	111.00	-	-	-	5.50	7.00	-	.94	.780	821
N.Dak.	192.00	161.00	-	-	-	7.20	9.10	-	1.04	.920	464
S.Dak.	176.00	144.00	-	-	-	7.00	8.80	-	1.03	.897	486
Nebr.	194.00	146.00	-	-	-	7.30	9.20	-	1.04	.917	555
Kans.	182.00	140.00	-	-	-	7.70	9.50	-	1.09	.950	673
W.N.Cent.	177.00	140.00	-	-	-	7.20	9.00	-	1.05	.913	558
Del.	-	-	-	-	6.80	-	8.70	-	.97	.890	834
Md.	-	-	-	-	6.20	-	7.70	-	.98	.833	858
Va.	-	-	-	-	4.96	-	6.00	-	.75	.641	712
W.Va.	-	-	-	-	4.45	-	5.60	-	.72	.604	489
N. C.	-	-	-	-	4.65	-	5.60	-	.65	.582	690
S. C.	-	-	-	-	3.40	-	3.90	-	.47	.412	568
Ga.	-	-	-	-	3.90	-	4.50	-	.61	.497	582
Fla.	-	-	-	-	5.60	-	6.00	-	.75	.645	671
So. Atl.	-	-	-	-	4.45	-	5.20	-	.65	.558	653
Ky.	-	-	-	-	4.05	-	5.10	-	.71	.507	543
Tenn.	-	-	-	-	3.60	-	4.40	-	.57	.437	501
Ala.	-	-	-	-	3.65	-	4.20	-	.52	.423	534
Miss.	-	-	-	-	3.55	-	3.90	-	.54	.405	494
E.S.Cent.	-	-	-	-	3.75	-	4.45	-	.59	.446	511
Ark.	-	-	-	-	4.75	-	5.30	-	.64	.558	588
La.	-	-	-	-	4.40	-	4.70	-	.59	.506	599
Okla.	-	-	-	-	6.80	-	7.90	-	.92	.814	634
Tex.	-	-	-	-	5.80	-	6.40	-	.75	.663	589
W.S.Cent.	-	-	-	-	5.40	-	5.20	-	.73	.643	605
Mont.	211.00	172.00	-	-	-	-	9.00	-	1.09	.846	466
Idaho	237.00	196.00	-	-	-	-	10.10	-	1.12	.916	564
Wyo.	209.00	158.00	-	-	-	-	8.80	-	1.10	.829	461
Colo.	303.00	158.00	-	-	-	-	8.90	-	1.00	.802	569
N.Mex.	175.00	130.00	-	-	-	-	6.60	-	.79	.634	583
Ariz.	245.00	175.00	-	-	-	-	8.40	-	.90	.801	586
Utah	220.00	195.00	-	-	-	-	9.20	-	1.10	.883	598
Nev.	240.00	170.00	-	-	-	-	9.20	-	1.20	.896	541
Mountain	212.00	168.00	-	-	-	-	8.70	-	1.01	.811	534
Wash.	252.00	202.00	-	-	-	-	-	1.16	1.25	1.200	597
Oreg.	231.00	181.00	-	-	-	-	-	1.09	1.17	1.121	564
Calif.	270.00	205.00	-	-	-	-	-	1.07	1.14	1.106	528
Pacific	260.00	200.00	-	-	-	-	-	1.09	1.17	1.128	540
U. S.	181.00	135.00	34.00	42.75	4.60	6.40	5.80	.87	.94	.728	566

1/ Certain wage rates are not published where they are relatively unimportant, but are estimated for use in computing U.S. averages. 2/ Adjusted for seasonal variation.

Farm wage rates by regions and States, July 1, 1959 1/

Region and State	Per month		Per week		Per day		Per hour		Com- posite rate per hour	Indexes of composite rates 1910-14=100 2/
	With house	With board and room	With board and room	Without board or room	With house	Without board or room	With house	Without board or room		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Maine	196.00	142.00	37.00	3.50	-	-	8.80	-	1.04	.908	547
N. H.	198.00	144.00	40.00	4.50	-	-	9.00	-	1.11	.955	622
Vt.	194.00	148.00	38.00	0.00	-	-	8.70	-	1.10	.914	589
Mass.	213.00	156.00	45.00	1.00	-	-	10.10	-	1.21	1.046	691
R. I.	219.00	152.00	47.00	.00	-	-	10.20	-	1.20	1.060	736
Conn.	218.00	166.00	47.00	.00	-	-	10.50	-	1.27	1.094	762
New Eng.	202.00	150.00	40.75	3.25	-	-	9.40	-	1.13	.974	637
N. Y.	204.00	142.00	37.25	3.00	-	-	9.10	-	1.11	.948	545
N. J.	212.00	153.00	40.00	53.00	-	-	9.40	-	1.16	.990	655
Pa.	183.00	129.00	34.50	47.25	-	-	8.10	-	1.04	.878	644
Mid. Atl.	198.00	135.00	36.75	50.50	-	-	8.80	-	1.09	.932	598
Ohio	174.00	126.00	-	-	-	8.80	8.50	-	1.08	.934	802
Ind.	176.00	131.00	-	-	-	8.50	8.00	-	1.05	.918	801
Ill.	194.00	150.00	-	-	-	7.70	9.30	-	1.10	.892	650
Mich.	199.00	142.00	-	-	-	7.00	6.80	-	1.07	.860	595
Wis.	190.00	140.00	-	-	-	7.00	8.90	-	1.08	.862	562
E.N.Cent.	189.00	139.00	-	-	-	7.00	8.80	-	1.08	.857	690
Minn.	186.00	147.00	-	-	-	7.80	9.80	-	1.11	.870	548
Iowa	196.00	159.00	-	-	-	8.30	10.10	-	1.14	1.004	551
Mo.	150.00	111.00	-	-	-	5.90	7.50	-	.98	.815	650
N.Dak.	194.00	163.00	-	-	-	7.40	9.20	-	1.06	.936	476
S.Dak.	183.00	148.00	-	-	-	7.20	8.90	-	1.06	.915	496
Nebr.	208.00	160.00	-	-	-	7.80	9.90	-	1.07	.959	586
Kans.	199.00	146.00	-	-	-	7.80	9.70	-	1.10	.964	684
W.N.Cent.	188.00	147.00	-	-	-	7.80	9.40	-	1.09	.947	585
Del.	-	-	-	-	7.00	-	9.00	-	1.05	.938	878
Md.	-	-	-	-	6.40	-	7.90	-	1.05	.870	897
Va.	-	-	-	-	5.20	-	6.20	-	.77	.660	733
W.Va.	-	-	-	-	5.00	-	5.70	-	.76	.627	503
N. C.	-	-	-	-	4.85	-	5.80	-	.70	.611	716
S. C.	-	-	-	-	3.55	-	4.10	-	.49	.431	594
Ga.	-	-	-	-	4.00	-	4.55	-	.60	.497	582
Fla.	-	-	-	-	5.80	-	6.30	-	.80	.679	714
So. Atl.	-	-	-	-	4.70	-	5.50	-	.68	.582	674
Ky.	-	-	-	-	4.40	-	5.30	-	.74	.527	558
Tenn.	-	-	-	-	3.85	-	4.55	-	.58	.456	518
Ala.	-	-	-	-	3.75	-	4.25	-	.55	.432	548
Miss.	-	-	-	-	3.60	-	4.00	-	.50	.408	499
E.S.Cent.	-	-	-	-	3.90	-	4.80	-	.61	.464	537
Ark.	-	-	-	-	5.00	-	5.40	-	.67	.576	585
La.	-	-	-	-	4.50	-	4.90	-	.61	.523	619
Okla.	-	-	-	-	6.90	-	8.10	-	.93	.828	652
Tex.	-	-	-	-	6.00	-	6.70	-	.76	.687	611
W.S.Cent.	-	-	-	-	5.60	-	6.30	-	.73	.660	612
Mont.	227.00	180.00	-	-	-	-	9.10	-	1.13	.876	493
Idaho	250.00	192.00	-	-	-	-	9.90	-	1.14	.928	572
Wyo.	223.00	181.00	-	-	-	-	9.30	-	1.08	.847	472
Colo.	212.00	160.00	-	-	-	-	9.00	-	1.04	.822	582
N.Mex.	169.00	134.00	-	-	-	-	7.10	-	.78	.646	594
Ariz.	255.00	185.00	-	-	-	-	8.60	-	.96	.835	811
Utah	232.00	200.00	-	-	-	-	9.30	-	1.13	.903	812
Nev.	250.00	185.00	-	-	-	-	9.10	-	1.25	.906	541
Mountain	238.00	174.00	-	-	-	-	8.90	-	1.05	.840	554
Wash.	287.00	216.00	-	-	-	-	-	1.19	1.26	1.214	804
Oreg.	240.00	184.00	-	-	-	-	-	1.11	1.18	1.131	589
Calif.	280.00	215.00	-	-	-	-	-	1.11	1.17	1.136	542
Pacific	275.00	211.00	-	-	-	-	-	1.12	1.19	1.150	561
U. S.	198.00	145.00	38.00	46.75	5.10	6.70	8.40	.90	1.00	.798	618

1/ Certain wage rates are not published where they are relatively unimportant but are estimated for use in computing U.S. averages. 2/ Adjusted for seasonal variation.

S. D. C. F., INC.
February 1, 1958

Mr. J. J. Miller
Agricultural Producers Labor Committee
129 South Alvarado Street
Los Angeles 57, California

Dear Mr. Miller:

The enclosed report includes information covering 206 Domestic workers who were referred to 38 of our user-members by the California Department of Employment, Farm Placement Service. It also contains statements made by 13 of our members, which may prove of interest.

Of the 206 referrals 47 (or 23%) either completed their job or were still employed at the time the report was mailed to our office. Following is a break down as to the length of time the balance of the 159 remained on the job.

		Per Cent	No. of Men
1.	Did not work one (1) full day.	24%	39
2.	Worked from 1 to 3 days	19%	30
3.	Worked from 4 to 7 days	13%	21
4.	Worked from 8 to 14 days	20%	32
5.	Worked from 15 to 30 days	17%	27
6.	Worked 1 1/2 months		3
7.	Worked 2 months		5
8.	Worked 4 months (No.6,7,8,9, total)	7%	1
9.	Worked 5 months		1
	Total	100%	159

Approximately 16% of the 159 were discharged for one reason or another. 84% quit on their own.

The original form from which this information was taken is on file in the office of S. D. C. F. I. Each has been signed by the user-member and contains both the date it was prepared and the date received by this office.

You are hereby granted permission to use this data in any way that you desire.

Sincerely,

S. D. C. F. I.

I.A.W.

U L G A

Below is a list of referrals from the Department of Employment office from November 7, 1957, through December 31, 1957.

M.F.B.
Field Superintendent

Name	Date Hired	Date Terminated	Reason
Blattler, Joe	11-7-57	11-7-57	Did not show
Vibbard, L. J.	11-8-57	11-8-57	Did not show
Abril, Elren	11-14-57	11-14-57	Did not show
Weston, J. M.	11-15-57	11-15-57	Did not show
Carter, H. C.	11-19-57	11-19-57	Did not show
Golden, Irwin	11-19-57	11-20-57	Quit
Lesh, D. B.	12-4-57	12-4-57	Did not show
Morgan, Max	12-16-57	12-18-57	Did not show
Elmont, Walter	12-16-57	12-18-57	Did not show
Adame, Antonio	12-16-57		
Salvaggio, Michael	12-18-57	12-19-57	Did not show
Scholtz, Freddy	12-19-57	12-19-57	1/2 box and quit
Lopez, Frank	12-19-57	12-19-57	1/2 box and quit
Parker, Earl	12-20-57	12-20-57	Did not show
Gugena, Starling	12-21-57		
Hutchison, Jimmy	12-21-57	12-21-57	Did not show
Hutchison, Wesley	12-21-57	12-21-57	Did not show
Hutchison, Webb	12-21-57	12-21-57	Did not show
Leeper, Forres	12-21-57	12-21-57	Did not show
Harshman, Clinton	12-26-57	12-26-57	Did not show
Taylor, Lowell	12-26-57	12-26-57	Did not show
Bishop, Carl	12-26-57	12-26-57	Did not show

Below is list of referrals from the Department of Employment office from January 4, 1958, through January 30, 1958.

M.F.B.
Field Superintendent

Carlton, C.B.	1-4-58	1-4-58	Quit
Hwrnandez, Mario	1-7-58		
Eldridge, Chas. M.	Not Hired		Over age limit
Alaseo, Rocco	1-14-58	1-15-58	Did not show
Vargas, John Memachaca	1-14-58		
Lopez, Lazaro	1-14-58		
Thompson, Roy	1-15-58	1-16-58	Did not show
Thompson, Dolly	1-15-58	1-16-58	Did not show
DelaRosa, Luis & 3 others	1-16-58	1-20-58	Did not show
Geronimo, Lira	1-20-58	1-21-58	Did not show
Hernandez, Ramonn	1-20-58	1-21-58	Did not show
Torres, Victor	1-20-58	1-21-58	Did not show
Garcia, Ralph	1-20-58		
Cox, Clinton	1-21-58	1-22-58	Did not show
Rodriquez, Frank	1-21-58	1-22-58	Did not show
Garcia, Primitive	1-21-58		
Carter. H.C.	1-27-58	1-28-58	Did not show
Frady, H.	1-27-58	1-28-58	Did not show
Tyler, Gordon	1-28-58	1-29-58	Did not show
Tyler, Elbert	1-28-58	1-29-58	Did not show
Domelies, Estaben	1-28-58	1-29-58	Did not show
Medina, Caunstenos	1-28-58	1-29-58	Did not show
Aragon, Serzio	1-28-58	1-29-58	Did not show
Mancillas, Trinidad	1-29-58	1-30-58	Did not show

Locals Reported to R. A. A. 1957

Date Rept'd	Name	Date Left	Remarks
1/15/57	Clyde Yarbrough	5/29/57	Left for another job
1/17/57	Wm. M. Manning	1/17/57	Didn't want to pick citrus
1/18/57	Denvek Arnold	2/4/57	Left for other work
1/18/57	Leon Gaither	1/28/57	" " " "
1/18/57	Theodore Morris	1/31/57	Left for another job
1/19/57	Carl Copelin	2/4/57	Left for other work
1/19/57	Melvin Weir	1/30/57	" " " "
1/21/57	Vicente Rojas Porez	2/15/57	Left for another job
1/23/57	Camilo Vargas Maros	1/30/57	" " " "
1/23/57	Marislaw Karpinsky	3/19/57	" " " "
1/25/57	O. D. Brown	1/28/57	" " " "
1/25/57	Wm. Carper	2/4/57	Didn't want to pick citrus
1/25/57	Marvin Jesse	2/4/57	Didn't want to pick citrus
1/25/57	Joe Ring	2/6/57	Left for another job
1/25/57	James D. Rymer	2/6/57	" " " "
1/28/57	Ray Loomis	1/28/57	Didn't want to pick citrus
1/28/57	Henry J. Shirocky	1/28/57	Didn't want to pick citrus
1/31/57	Herbert E. Gorshe	2/16/57	Left for another job
1/31/57	R. E. Haskin	2/3/57	" " " "
1/31/57	James Livingston	2/14/57	" " " "
2/1/57	Albert Voderberg	3/27/57	" " " "
2/2/57	Jesse McWilliams	3/9/57	" " " "
2/2/57	W. May	2/11/57	" " " "
2/5/57	M. Dewitt	2/7/57	" " " "
2/5/57	Martin Gonzalez	2/13/57	" " " "
2/5/57	Joe Hall	2/6/57	Didn't want to pick oranges
2/5/57	M. M. Herring	3/1/57	Left for another job
2/5/57	Winford Kendall	3/15/57	Can't pick oranges
2/5/57	Martinez	2/13/57	Left for another job
2/5/57	Richard Matthews	2/6/57	Didn't want to pick citrus
2/5/57	Harry C. McClain	2/5/57	Left for another job
2/5/57	Earl McCutcheon	2/7/57	Didn't want to pick citrus
2/5/57	Ralph Memmel	2/6/57	" " " " "
2/5/57	David Menish	2/7/57	" " " " "
2/5/57	Orval O. Moody	2/6/57	" " " " "
2/5/57	E. H. Peek	2/12/57	Left for another job
2/5/57	Ralph Pierce	2/6/57	Didn't want to pick citrus
2/5/57	Clarence Secrest	2/12/57	Left for another job
2/5/57	A. C. Stevens	2/7/57	Didn't want to pick citrus
2/5/57	M. Trammell	2/15/57	Left for another job
2/5/57	Raul Trigo	2/15/57	" " " "
2/5/57	Bernard W. Trotter	2/12/57	" " " "
2/6/57	Rufus Johnson	3/9/57	" " " "
2/6/57	Juan Luna	2/6/57	Didn't want to pick citrus
2/6/57	Elmer Martin	2/6/57	" " " " "
2/6/57	James L. Moore	2/6/57	Couldn't pick citrus
2/6/57	Sevro Nunez	2/6/57	Didn't want to pick citrus
2/6/57	D. E. Schlesser	2/6/57	" " " " "
2/6/57	Elmer Smock	2/6/57	Couldn't pick oranges- worked half day
2/6/57	William E. Stanley	2/14/57	Left for another job
2/6/57	P. E. Triplett	2/8/57	Didn't want to pick citrus
2/6/57	A. E. Voss	2/14/57	Left for another job
2/6/57	Bill Williams	2/6/57	Couldn't pick citrus worked half day
2/7/57	David Dionne	2/7/57	Didn't want to pick oranges
2/7/57	Alfred Thorpe	2/16/57	Left for another job
2/9/57	Paul Pearcy	2/9/57	Couldn't pick citrus (quite) 1 day
2/9/57	Richard Powers	2/9/57	Couldn't pick citrus (quite) 1 day
2/9/57	Domingo Campos	2/9/57	Couldn't pick citrus worked 1 day
2/9/57	Don Perkins	2/9/57	Couldn't pick citrus worked 1 day
2/12/57	Charles Baker	2/16/57	Didn't want to pick citrus
2/12/57	Lee Brandon	2/15/57	" " " " "
2/12/57	Wm. Cormier	2/13/57	Couldn't pick oranges
2/12/57	Shellen Berger	2/14/57	Didn't want to pick citrus

Date Rept'd	Name	Date Left	Remarks
2/12/57	Floyd M. Stoncart	2/14/57	Didn't want to pick citrus
2/12/57	Walter Green	2/12/57	Couldn't pick oranges
2/12/57	Jimmy Scott	2/15/57	" " " "
2/12/57	Conrad Stoy	2/15/57	" " " "
2/14/57	Jack Allen	2/16/57	" " " "
2/14/57	Leo Rogers	2/14/57	Reported to Camp, Refused to go out and work
2/14/57	Herbert Petzold	2/27/57	Left for another job
2/18/57	Curtis Conner	2/20/57	" " " "
2/18/57	Salador Parisi	4/24/57	" " " "
2/19/57	Weldon Bjerke	2/22/57	" " " "
2/19/57	Alex Cook	2/25/57	" " " "
2/19/57	C. E. Collins	2/21/57	" " " "
2/19/57	Ed Conley	2/21/57	" " " "
2/19/57	Lee Defoor	4/2/57	" " " "
2/19/57	Henry Gendron	2/20/57	Didn't want to pick orange
2/19/57	Jose M. Felix	4/18/57	Left for another job
2/19/57	C. B. Moore	2/25/57	Left for another job
2/19/57	Elmer Plantikow	2/27/57	" " " "
2/19/57	Richard L. Singer	2/20/57	Didn't want to pick citrus
2/19/57	Andrew J. Sliger	2/20/57	" " " " "
2/20/57	Leon Chaney	2/22/57	" " " " "
2/20/57	R. L. Hetrick	2/23/57	Couldn't pick oranges
2/20/57	J. A. Laird	2/22/57	" " " "
2/20/57	Fred S. McGowen	2/22/57	Didn't want to pick citrus
2/20/57	John Ren	2/22/57	" " " " "
2/20/57	Tommie Terrell		(Refused to go to work)
2/21/57	Bernard Aponich	2/22/57	Didn't want to pick citrus
2/21/57	Adam Gonzalez	2/23/57	" " " " "
2/21/57	Marvin Emmons	4/22/57	Left for another job
2/21/57	Caudill Harden	2/22/57	Couldn't pick oranges
2/25/57	Marvin Stepp	3/3/57	Left for another job
2/26/57	John J. Brown	3/13/57	Left for another job
2/26/57	C. O. Hall	2/26/57	Didn't want to pick citrus
2/26/57	Eddie McCall	5/22/57	Left for another job
2/26/57	Alfred Murrietta	5/23/57	Left for another job
2/26/57	Arthur Overstreet	2/29/57	" " " "
2/26/57	Pete Shannon	3/7/57	" " " "
2/26/57	Manvel Sotelo	3/1/57	" " " "
2/27/57	Elmer Anason	2/29/57	Didn't want to pick citrus
2/27/57	Wilbur Brooks	2/29/57	" " " " "
2/27/57	Ivan Deatherage	3/6/57	Left for another job
2/27/57	Wm. Frasier	2/29/57	Didn't want to pick citrus
2/28/57	Marvin Johnston	2/28/57	" " " " "
2/28/57	Juan Salazar	3/8/57	Left for another job
2/28/57	D. Salazar	3/8/57	" " " "
2/28/57	Wm. Lundy	3/18/57	" " " "
3/7/57	Floyd Miller	3/14/57	" " " "
3/12/57	Leonard Vawter	4/5/57	" " " "
3/12/57	Lee Stulae	3/27/57	" " " "
3/12/57	Otto Controll	3/17/57	Didn't want to pick citrus
3/12/57	John Shivers	3/13/57	Worked 1 day and didn't want to pick citrus
3/12/57	Hugh E. Stewart	3/12/57	Worked 1 day and didn't want to pick citrus
3/12/57	H. B. Oliver	3/13/57	Worked 1 day and didn't want to pick citrus
3/12/57	Lloyd Wallace	3/21/57	Left for another job
3/13/57	Sanford Beaudry	3/14/57	Didn't want to pick citrus
3/13/57	Jack Hoschman	3/14/57	" " " " "
3/13/57	Staples	3/14/57	" " " " "
3/13/57	Lassart	3/14/57	" " " " "
3/13/57	Edwin O. Wallace	3/26/57	Left for another job
3/14/57	John Bolling	3/16/57	Didn't want to pick citrus
3/14/57	Lee Fitchhugh	3/14/57	" " " " "
3/14/57	Martin Ruiz	3/16/57	" " " " "
3/14/57	Amado Sandoval	3/16/57	" " " " "
3/14/57	O. R. Wagner	3/16/57	" " " " "
3/14/57	Jasper Norris	4/5/57	" " " " "
3/19/57	Hoovard Carpenter	3/20/57	" " " " "
3/19/57	Eugene Fugett	3/30/57	Left for another job
3/19/57	Homer Lawson	3/30/57	" " " "
3/19/57	Artie Montgomery	3/27/57	" " " "
3/19/57	Mack Montgomery	3/27/57	" " " "

Date Rept'd	Name	Date Left	Remarks
3/20/57	Ernesto L. Ponce	2/27/57	Didn't want to pick citrus
3/21/57	H. J. Emory	3/29/57	Left for another job
3/21/57	J. P. Stode	3/29/57	" " " "
3/22/57	Bonifacio Alvarez	3/23/57	Didn't want to pick citrus
3/26/57	Salvador Goana	4/11/57	Left for another job
3/26/57	Roy Hotch	3/27/57	Didn't want to pick citrus
3/26/57	Javier C. Mena	5/18/57	Left for another job
3/26/57	L. Pacheco	3/28/57	" " " "
3/27/57	Simon Barnett	3/28/57	Didn't want to pick citrus
4/3/57	Leonard C. Jenson	4/13/57	Left for another job
4/3/57	James H. Matney	4/13/57	" " " "
4/3/57	Lewis Olden	4/20/57	" " " "
4/4/57	Elias Torres	4/23/57	Didn't want to pick citrus
4/5/57	Alex Nelson	4/6/57	(Worked 1 day)
4/10/57	John N. Morrison	4/17/57	Left for another job
4/12/57	Frank Lamberton	4/13/57	Couldn't pick citrus
4/16/57	Carlos Delgado	4/27/57	Left for another job
4/16/57	Alexandro Delgado	4/27/57	" " " "
4/23/57	John Ramirez	4/25/57	Couldn't pick oranges
4/30/57	A. Saiz	4/31/57	Didn't want to pick citrus
4/30/57	G. Jackson	4/31/57	Couldn't pick citrus

LOCAL LABOR REFFERRED TO R. A. A.
BY THE DEPARTMENT OF EMPLOYMENT OF RIVERSIDE
Year of 1958

Date Rept'd	Name	Date Left	Remarks
12/9/57	Frank Allen Draper	1/3/58	Left for another job
12/9/57	John Turner	12/24/57	" " " "
12/11/57	Ronnie Buckner	12/11/57	Worked ½ day-refused to pick
12/11/57	William Gocke	1/3/58	Left for another job
12/11/57	Manuel Lara		Failed to report to camp
12/11/57	Larry Nichol	12/11/57	Refused to pick lemons
			Worked ½ day
12/11/57	Frank Sloshonen	12/11/57	Went out to field-wouldn't wo
12/11/57	Sid Smith	12/11/57	" " " " " "
12/13/57	H. M. Chorleston	12/13/57	Worked 1 day, went up North
12/13/57	Louis L. Rose	12/26/57	Went up North to work
12/13/57	Wm. L. Statzell	12/14/57	Quit for another job
12/31/57	F. L. Foster	1/3/58	Went up North to work
1/2/58	Jack Allen		Still employed
1/2/58	Tom Hiles		" "
1/2/58	Robert A. Smith		" "
1/3/58	C. A. DeCaire	1/7/58	Refused to pick oranges
1/3/58	R. F. Dorsey	1/7/58	" " "
1/3/58	G. L. Harkins		Still Employed
1/3/58	R. R. Hart		" "
1/3/58	Lee Hutsell	1/7/58	Refused to pick oranges
1/3/58	Forrest Stanley	1/7/58	" " "
1/3/58	Raymon Jackson		Still Employed
1/3/58	Tom Tubbs	1/7/58	Refused to pick oranges
1/4/58	Samuel Bolton	1/7/58	" " "
1/4/58	James E. Roof		Still Employed
1/4/58	Doyle Jacks	1/7/58	Refused to pick oranges
1/4/58	James T. Tatum		Still Employed
1/6/58	W. F. Swopes	1/8/58	Left for another job
1/6/58	Dale Crafton		Still employed
1/6/58	Mike Bonilla		" "
1/7/58	Arnold Blomke		" "
1/7/58	L. Clifton		Refused to pick citrus
1/7/58	Frank Endicott		Still employed
1/7/58	Louis Goodman	1/10/58	Left for another job
1/7/58	Arthur Loughren		Still employed
1/7/58	George L. Henry		" "
1/7/58	Ben Pfaff	1/17/58	Left for another job
1/7/58	Ace Marcellas	1/17/58	" " " "
1/7/58	Robert Mosher		Still Employed
1/7/58	V. R. Moore		" "
1/8/58	Jose L. Cervantes		" "
1/8/58	Marcelino C. Lopes		" "
1/9/58	Marvin Gilbert	1/9/58	Worked 1 day-refused to pick
1/9/58	C. M. Gilbert	1/9/58	" " " " "
1/10/58	Robert Fraio		Still Employed
1/10/58	S. J. Prestridge	1/11/58	Refused to work
1/10/58	J. P. Strode	1/11/58	Refused to pick citrus
1/11/58	John Curtis	1/11/58	Can't pick oranges
1/11/58	Jack Hayes	1/13/58	Quit for another job
1/11/58	Joseph Jensen	1/13/58	" " " "
1/11/58	Calvan Raney		Still Employed
1/11/58	Robert Sprosty	1/13/58	Left for another job
1/11/58	Harold L. Trujillo		Still Employed
1/13/58	Henry C. Hayes		" "
1/13/58	Arthur Irwin		" "
1/13/58	Edward Nieswender		" "
1/14/58	Edward Allen		" "
1/14/58	Rolland Bye		" "
1/14/58	Joseph E. Carter		" "
1/15/58	Odis Chambers		" "

S C F A

January 18, 1958

Mr. Jack Miller, Manager
Agricultural Producers Labor Committee
129 South Alvarado Street
Los Angeles 57, California

Dear Jack:

We are enclosing a list of names of farm workers that have been referred to G & Co. by the State Department of Employment Farm Labor Office in _____. These people were sent to G & Co. to be employed as grape pruners.

From the information disclosed, it is apparent that if G & Co. were forced to depend upon this type of labor, their grape vineyards would not be pruned until after next year's grape harvest. If this should happen, there would not be any harvest next year because the production of grapes is dependent upon the proper pruning of the vines at this time of the year.

It is interesting to note that one of the referrals, _____ _____, was apprehended Christmas Eve in _____ while attempting to rob a pay phone. I understand that he is still in custody because he is wanted in Kansas for the robbery of a United States Post Office. Nice people!!!!

Trusting that this information may be of service to you, I am,

Sincerely yours,

R.F.O.

RFO:S
Enc:1

G & CO., INC.
RECORD OF FARM EMPLOYMENT
OFFICE REFERRALS 11/12/57 THRU 1/17/58

o.	Name	Date Hired	Hours Worked	Date Term.	Reason
137	Otto Brechbuhler	11/12/57	50	11/19/57	Not qual. to prune
138	Benny R. Guerrero	11/13/57	18	11/18/57	Not qual. to prune
139	Allen W. Branch, Jr.	11/13/57	47½	12/2/57	Resigned-Own accord
140	Mahlon A. Patton	11/13/57	41	11/19/57	Resigned-Own accord
141	Starling Gugena	11/13/57	41	11/19/57	Not qual. to prune
142	James D. Patton	11/13/57	41	11/19/57	Resigned-Own accord
148	Charlie B. Neal	12/2/57	24½	12/5/57	Resigned-Own accord
149	Joe L. Jacobo	12/2/57			Still employed
150	Joe D. Buchanan	12/3/57	20½	12/10/57	Not qual. to prune
151	Robert E. Green	12/3/57	22½	12/10/57	Not qual. to prune
152	Noel C. Atterbury	12/4/57	7	12/6/57	Resigned-Own accord
153	William E. Baty	12/5/57	10½	12/10/57	Not qual. to prune
154	Paul E. Maxwell	12/5/57	10½	12/10/57	Not qual. to prune
155	Seney K. Christy	12/5/57	19½	12/13/57	Resigned-Own accord
156	Robert H. Robison	12/5/57	19½	12/13/57	Resigned-Own accord
157	Jerry A. Melton	12/5/57	11½	12/10/57	Not qual. to prune
159	Ted Holcomb	12/6/57	7	12/6/57	Not qual. to prune
160	Dee D. Brown	12/6/57	23	12/19/57	Not qual. to prune
161	Pedro Jaime	12/7/57			Still employed
162	Walter A. Alinen	12/7/57	49	12/16/57	Not qual. to prune
163	Jimmie L. Henry	12/9/57	32	12/12/57	Not qual. to prune
164	Robert L. Nichols	12/10/57	16	12/12/57	Not qual. to prune
165	Melvin R. Hampton	12/10/57	32	12/18/57	Resigned-Own accord
166	Luther C. O'Hair	12/10/57	32	12/13/57	Not qual. to prune
167	Roman H. Hernandez	12/10/57	61	12/23/57	Resigned-Own accord
168	Kenneth A. Horn	12/10/57	8	12/10/57	Resigned-Own accord
169	Donald E. Horn	12/10/57	5	12/10/57	Resigned-Own accord
170	Joe M. Leon	12/11/57			Still employed
171	Manuel M. Leon, Jr.	12/11/57			Still employed
172	James L. Baldwin	12/11/57	16	12/17/57	Resigned-Own accord
173	Loren Sheaffer	12/11/57	16	12/13/57	Resigned-Own accord
174	Ramon Luna	12/11/57	24	12/16/57	Resigned-Own accord
175	Ray F. Wasson	12/11/57	28	12/16/57	Not qual. to prune
176	Eugene E. Moore	12/11/57	28	12/16/57	Not qual. to prune
177	Marvin A. Stimson	12/12/57	41½	12/23/57	Not qual. to prune
178	Nicanor R. Mendez	12/12/57	12	12/16/57	Resigned-Own accord
179	John E. Harrison	12/13/57	46	12/23/57	Not qual. to prune
180	Sam E. Roe	12/13/57	8	12/16/57	Resigned-Own accord
181	Frank H. Hurtado	12/13/57	8	12/17/57	Resigned-Own accord
182	Louis F. Landin	12/13/57	8	12/17/57	Resigned-Own accord
185	Harold S. Le Tourneau	12/17/57	24	12/20/57	Resigned-Own accord
186	Grover H. O'Dell	12/17/57	24	12/20/57	Resigned-Own accord
187	Thomas B. O'Dell	12/17/57	16	12/20/57	Resigned-Own accord
188	Robert L. Middleton	12/18/57	43	12/26/57	Resigned-Own accord
189	Grady O'Neal	12/18/57	45	12/28/57	Resigned-Own accord
190	Albert G. Marroquin	12/18/57	29	12/24/57	Resigned-Own accord
191	Jimmie M. Hathaway	12/18/57			Still employed
192	Max H. Morgan	12/18/57	29	12/26/57	Resigned-Own accord
193	Walter D. Elmont	12/18/57	29	12/26/57	Resigned-Own accord
194	Dale D. Smith	12/18/57	52	12/27/57	Resigned-Own accord
195	Hays L. Fish	12/18/57	52	12/27/57	Resigned-Own accord
196	Robert L. Yarnell, Jr.	12/19/57	25½	12/23/57	Not qual. to prune
197	Larry O'Brian	12/20/57	27	12/26/57	Resigned-Own accord
198	James T. Burge	12/20/57	72	1/3/58	Resigned-Own accord
199	Patrick J. Mc Inenly	12/20/57	69	1/3/58	Resigned-Own accord
200	Fred Smith	12/20/57			Still employed
201	Clinton L. Harshman	12/23/57	8	12/23/57	Resigned-Own accord
202	Lowell E. Taylor	12/23/57	8	12/23/57	Resigned-Own accord
203	Jose E. Barba	12/23/57	8	12/24/57	Resigned-Own accord
204	Carl E. Bishop	12/23/57	8	12/23/57	Resigned-Own accord
206	Ruben N. Zisumbo	12/26/57			Still employed
207	Robert M. Weigel	12/26/57	21	12/30/57	Resigned-Own accord
208	Wayne A. Bowerman	12/26/57	89½	1/17/58	Not qual. to prune
209	Henry C. Tinsley	12/27/57	1	12/27/57	Resigned-Own accord
210	Fred Martino	12/27/57	1	12/27/57	Resigned-Own accord
211	James W. Blanchard	12/27/57	26	1/2/58	Resigned-Own accord
212	Rosco C. Baker	12/27/57	26	1/2/58	Resigned-Own accord
213	David R. King	12/27/57	21	12/31/57	Resigned-Own accord
214	Wayne L. Page	12/27/57	34	1/2/58	Not qual. to prune

No.	Name	Date Hired	Hours Worked	Date Term.	
1215	Arthur G. Gonser	12/27/57	-		Still employed
1216	Arkle M. Lile	12/27/57	8	1/2/58	Resigned-Own accord
1217	Gordon H. Reynolds	1/2/58	35	1/7/58	Resigned-Own accord
1218	Howard N. Farris	1/2/58	9	1/3/58	Not qual. to prune
1220	Everett E. Stanley	12/31/57	5	1/2/58	Resigned-Own accord
1221	Wardie M. Ledbetter	1/2/58	35	1/7/58	Resigned-Own accord
1222	Rocco Aresca	1/7/58	50	1/13/58	Not qual. to prune
1223	Larry A. Davenport	1/7/58	28	1/13/58	Not qual. to prune
1224	Hal E. Abeles	1/7/58			Still employed
1227	Candelaic Sauceda	1/8/58			Still employed
1228	Francisco Sauceda	1/8/58			Still employed
1230	Roy L. Wright	1/8/58			Still employed
1231	Edward J. Freeman	1/8/58			Still employed
1232	Jesus Sauceda	1/8/58			Still employed
1233	James E. Mansell, Sr.	1/8/58			Still employed
1234	Eugene W. Clark	1/9/58	32	1/13/58	Not qual. to prune
1235	Joe J. Malec	1/9/58	62½	1/17/58	Not qual. to prune
1236	Joe H. Garrett	1/10/58	23	1/13/58	Not qual. to prune
1237	Clyde Brandenburgh	1/10/58			Still employed
1238	Roland D. Williams	1/10/57			Still employed
1241	Bobby W. Dunnagan	1/13/58			Still employed
1243	J. D. Huffstutter	1/13/58			Still employed
1244	Trinidad Mancillas	1/13/58			Still employed
1245	Virgle G. Griffin	1/13/58			Still employed
1246	Hernaldo J. Gutierrez	1/13/58			Still employed
1248	Edward Hicks, Jr.	1/17/58			Still employed
1249	Richard E. Summers	1/17/58			Still employed
1250	James N. Palmer	1/17/58			Still employed
1252	Andres Alcaraz	1/15/58			Still employed
1253	Americo Martinez	1/15/58			Still employed

In addition to the above approximately 60 others applied for work. Applications were furnished, work was available, but they did not report for work the following day.

Employment Record of Men Hired Through Farm Employment Office

No No.	Name	Date Hired	Hours Worked	Date Term.	Reason
1137	Otto Brechbuhler	11/12/57	50	11/19/57	Not qual. to prune
1138	Benny R. Guerrero	11/13/57	18	11/18/57	Resigned-Own accor
1139	Allen W. Branch, Jr.	11/13/57	47½	12/2/57	" " "
1140	Mahlon A. Patton	11/13/57	41	11/19/57	" " "
1141	Starling Gugena	11/13/57	41	11/19/57	Not qual. to prune
1142	James D. Patton	11/13/57	41	11/19/57	Resigned-Own accor
1143	James E. Hollaway	11/19/57	7	12/2/57	" " "
1144	General J. Harris	11/19/57	54	12/3/57	" " "
1145	Charley A. Oats	11/25/57			
1146	Edwardo R. Guerra	11/25/57	33	12/7/57	" " "
1147	Pete Gomez	11/27/57			
1148	Charlie B. Neal	12/2/57	24⅓	12/5/57	" " "
1150	Joe D. Buchanan	12/3/57	20⅓	12/10/57	Not qual. to prune
1151	Robert E. Green	12/3/57	22⅔	12/10/57	" " "
1152	Noel C. Atterbury	12/4/57	7	12/6/57	Resigned-Own accord
1153	William E. Baty	12/5/57	10⅓	12/10/57	Not qual. to prune
1154	Paul E. Maxwell	12/5/57	10⅔	12/10/57	" " "
1155	Seney K. Christy	12/5/57	19⅔	12/13/57	Resigned-Own accord
1156	Robert H. Robison	12/5/57	19⅓	12/13/57	" " "
1157	Jerry A. Melton	12/5/57	11⅔	12/10/57	Not qual. to prune
1158	Tito S. Aragon	12/5/57	39½	12/11/57	" " "
1159	Ted Holcomb	12/6/57	7	12/6/57	Resigned-Own accor
1160	Dee D. Brown	12/6/57	15	12/19/57	Not qual. to prune
1161	Pedro Jaime	12/7/57			
1162	Walter A. Alinen	12/7/57	49	12/16/57	" " "
1163	Jimmie L. Henry	12/9/57	32	12/12/57	" " "
1164	Robert L. Nicholas	12/10/57	16	12/12/57	" " "
1165	Melvin B. Hampton	12/10/57	32	12/18/57	Resigned-Own accor
1166	Luther C. O'Hair	12/10/57	32	12/13/57	Not qual. to prune
1167	Roman H. Hernandez	12/10/57			
1168	Kenneth A. Horn	12/10/57	8	12/10/57	Resigned-Own accor
1169	Donald E. Horn	12/10/57	5	12/10/57	" " "
1170	Joe M. Leon	12/11/57			
1171	Manuel M. Leon, Jr.	12/11/57			
1172	James L. Baldwin	12/11/57	16	12/17/57	" " "
1173	Loren Sheaffer	12/11/57	16	12/13/57	" " "
1174	Ramon Luna	12/11/57	24	12/16/57	" " "
1175	Ray F. Wasson	12/11/57	28	12/16/57	Not qual. to prune
1176	Eugene E. Moore	12/11/57	28	12/16/57	" " "
1177	Marvin A. Stimson	12/12/57			
1178	Nicanor R. Mendez	12/12/57	12	12/16/57	Resigned-Own accord
1179	John E. Harrison	12/13/57			
1180	Sam E. Roe	12/13/57	8	12/16/57	" " "
1181	Frank H. Hurtado	12/13/57	8	12/17/57	" " "
1182	Louis F. Landin	12/13/57	8	12/17/57	" " "
1185	Harold S. Le Tourneau	12/17/57	24	12/20/57	" " "
1186	Grover H. O'Dell	12/17/57	24	12/20/57	" " "
1187	Thomas B. O'Dell	12/17/57	16	12/20/57	" " "
1188	Robert L. Middleton	12/18/57		12/24/57	Ontario Jail-Drunk
1189	Grady O'Neal	12/18/57		12/24/57	Ontario Jail- Attempt to rob pay phone
1190	Albert G. Marroquin	12/18/57			
1191	Jimmie M. Hathaway	12/18/57			
1192	Max H. Morgan	12/18/57			
1193	Walter D. Elmont	12/18/57			
1194	Dale D. Smith	12/18/57			
1195	Hays L. Fish	12/18/57			
	Larry O'Bryson			12/24/57	Ontario Jail-Drunk

Total	No longer employed	Remaining
56	40	16
	71%	29%

S A. E. A, Inc.
January 27, 1958

Mr. J. J. Miller
Agricultural Producers Labor Committee
129 Alvarado Street
Los Angeles 57, California

Dear Jack:

The attached report covers with but very few exceptions the domestic actively here since November 1957. The volume is, to say the least, startling and the results discouraging.

By count there were 343 men passed through our doors during this time and they worked a total of 1920 man hours. In order to complete the number of man hours of work we did during our last fiscal year ending October 31, 1957 1,325,000 man hour and using this source of labor, we will need no less than 239,000 men.

I don't believe that any comment I can make at this time will change the situation, but if this is the labor supply we are being asked to use by some anti-Mexican National groups, God help the farmer.

An interesting study might be, to determine how many of these men have been from employment office to employment office seeking employment and after being referred to a job, go on to the next town. Would this have any helpful effect upon the situation.

Sincerely yours,

B. E. R.

S A. E. A, Inc.
Jan. 18, 1958

Note: On record in this office is a list of employers to whom these workers were assigned.

Date	Name	Social Security #	Remarks
11/16/57	Azlin, Arville	455-30-5318	Did not report
11/5/57	Abrejo, Richard	545-54-5678	" " "
11/13/57	Anderson, Tom	Exchange Student	" " "
	Araujo, Daniel	024-14-2008	" " "
11/13/57	Arnold, Lee	524-36-0193	" " "
1/8/58	Armijo, John	523-26-7752	" " "
11/13/57	Arnold, Lee Mrs.	521-46-7077	" " "
1/2/58	Ahlstrom, Lloyd	485-09-2962	* Worked 5 days
12/10/57	Amaya, Frank	548-48-9696	Did not report
11/19/57	Armstrong, Eldridge	525-30-0897	* Worked 1 day
11/6/57	Albo, Joe	524-12-7146	Did not report
11/4/57	Arroyo, Lazaro	552-01-2189	* Worked 1 day
11/6/57	Abril, Efren	527-09-8039	* " " "
1/14/58	Brandt, Fred	380-10-1472	* " " "
1/14/58	Briones, John	558-22-2799	Did not report
1/10/58	Bressler, Robert	316-18-4632	" " "
1/13/58	Brixley, Bill	541-42-9249	* Worked 1 day
12/26/57	Boughan, Oscar	523-28-9956	Did not report
1/9/58	Brown, Robert	429-28-9239	" " "
12/10/57	Buchaman, Joe	453-46-2651	* Worked 1 day
11/26/57	Brady, Robert	558-09-6797	Did not report
12/10/57	Baty, William	460-54-5703	* Worked 1 day
11/26/57	Blasingame, Lloyd	560-46-0013	* " " "
11/26/57	Brown, Bennett	546-12-5949	* " " "
11/26/57	Bavda, Louis	526-38-5038	Did not report
11/15/57	Branch, Allen	002-24-7976	Refused employment
11/21/57	Barron, Cleo		Did not report
11/20/57	Baunelos, J.		Refused employment
11/20/57	Baker, W. T.		Did not report
11/20/57	Bogges, Willis, J.	444-09-7147	" " "
11/20/57	Butt, Jim	530-22-3016	" " "
10/24/57	Beadell, Gordon	531-30-7107	* Worked 1 day
12/23/57	Buis, E. F.	573-24-8421	* " " "
	Belteron, Rojelia	552-54-7960	Did not report
11/25/57	Bolin, Ashford	552-01-3003	" " "
1/2/58	Brown, Dee	529-30-1132	" " "
11/12/57	Brown, James	461-32-7709	" " "
11/12/57	Bernard, Brent	562-46-4672	" " "
	Baily, W. T.	548-50-2683	" " "
	Branson, Leaura	551-24-2692	" " "
	Bizzell, Jim	515-48-3659	" " "
11/5/57	Bruce, Tom	52-01-2932	* Worked 7 days
	Brauson, Coleman	521-12-7763	Did not report
12/13/57	Corrubias, A.	566-52-8339	" " "
12/16/57	" "	" " "	* Worked 1 day
1/15/58	Cloutier, Phelorom	010-30-8138	* " " "
1/14/58	Couch, Eugene	548-14-4028	* " " "
1/7/58	Cuellar, Carlos	452-60-2285	* " " "
1/7/58	Cannada, Ernest	543-44-3981	* " " "
1/8/58	Clark, Fred	541-14-8883	Did not report
	Carr, R. W.	281-05-9556	" " "
9/28/57	Collis, Wayne	516-36-1099	Refused
9/24/57	Clements, Maxine		Did not report
9/24/57	Chonister, Lewis	46-18-360	" " "
	Clyde, Leland	564-52-5756	" " "
12/27/57	Curtis, H. O.	441-24-6578	Worked 16 days
	Mc Coy, Dewayne	555-42-5032	Did not report
	St. Claire, Elaine	555-50-1918	" " "
	Carden, William	572-26-9095	" " "
11/25/57	Clark, Clyde	441-09-0987	" " "
11/21/57	Cruz, Tony	558-44-8541	" " "
11/25/57	Castaneda, Al.	573-38-2062	Worked 1 day
11/13/57	Carter, Gerald	564-50-9617	Refused
11/5/57	Candelario, Felipe		Did not report
11/14/57	Cosola, David	557-54-8526	" " "
11/12/57	Cowell, John	485-42-8819	" " "
11/27/57	Ciesieiski, Ed.	343-05-8569	" " "

Date	Name	Social Security #	Remarks
11/27/57	Cevallos, Ricardo	459-56-7160	Did not report
11/27/57	Copas, Santiago	552-01-3258	Refused
12-20-57	Chaney, Harold	549-52-5650	"
12/24/57	Carter, Joseph	551-22-9312	Did not report
10/10/57	Chastain, Fred		" " "
1/15/58	Dion Peirre, Francois	121-32-1340	" " "
1/14/58	Delgado, Louis	570-30-1969	" " "
1/3/58	Du Vall, James	564-12-9901	Worked 3 hours
1/13/58	Daniel, De Witt	487-14-1395	Refused
	Duarte, Joe		Did not report
11/4/57	Dunham, Barney	313-03-0004	Worked 2 days
12/13/57	Dominguez, Manuel		Refused
12/31/57	Dykstra, Garrett		Worked 1 day
1/2/58	Diaz, Nick	854-38-460	Did not report
10/10/57	Diaz, Isidro	549-03-4356	Worked 6½ hours
1/13/58	Davis, Buckey		Worked 1 day
1/13/58	Davis, Buck	500-09-7785	" " "
1/13/58	Duran, Mario	464-58-2295	Did not report
	Davolt, Robert	485-18-1791	Worked ½ day
	Detinne, John	569-48-7310	Refused
	Delgado, Lena Teresa	562-36-2019	Did not report
11/6/57	Duran, Rudy	524-40-1855	" " "
11/26/57	Deases, Jose	493-36-7367	Worked 1 day
1/2/58	Elmont, Walter	523-34-1427	Did not report
12/11/57	Russell, Engebretson	398-14-0321	Worked 1 day
1-14-58	Fish, Russell		Worked ½ day
1/13/58	Frady, Herbert	570-18-7309	Did not report
	Fleming, James	379-05-8675	Refused
	Fountain, Ruth	560-48-5527	Did not report
11/30/57	Fish, Hayes	307-12-0865	Worked 12 days
	Forthun, Ernest	571-10-5317	Did not report
11/25/57	Gonce, Lonny		" " "
10/11/57	Ghaing, J. R.	483-01-7632	Worked 1 day
12/18/57	Gonser, Arthur	446-30-9335	Worked 2 days
12/31/57	Galliher, James	415-03-9140	Worked 1 day
1/2/58	Goldman, Clifton H.	457-36-6134	Did not report
12/27/57	Golden, Gerald	555-55-555	Worked 1 day
12/27/57	Golden, Eldon	567-46-9143	" " "
12/27/57	Golden, Chuck	459-52-4965	" " "
	Garcia, Ernest	711-05-9910	Did not report
11/26/57	Grant, John	462-34-8857	Did not report
11/26/57	Grier, Robert	182-18-8049	" " "
11/12/57	Gray-		Worked 3 days
11/15/57	Guerrero, Benny		Refused
11/13/57	Grant, Chuck	521-45-0412	Did not report
1/14/58	Glasener, Kenneth	561-50-7113	" " "
11/13/57	Gedeon, V. E.	560-10-6008	" " "
	Garcia, Katy		" " "
12/10/57	Green, Robert	379-30-0674	Worked 1 day
11/19/57	Gaston, Amos. L.		" " "
	Garcia, Joe, R.	549-03-5885	Refused
10/24/57	Gehman, Elmer	165-01-7903	Did not report
	Guinnip, Ray	495-22-905	" " "
11/12/57	Gonzales, Val	564-50-6570	" " "
11/5/57	Garcia, Larry	571-52-2900	" " "
11/9/57	Grossett, Virgil	401-18-3135	" " "
11/8/57	Garcia, Mike	571-42-1001	" " "
1/15/58	Gordon, Clifford	373-20-2576	Worked 2 days
1/15/58	Garcia, Heriberto	722-10-5624	Worked 1 day
1/15/58	Garcia, Eduardo	499-58-1004	" " "
1/15/58	Garcia, Ignacio	545-56-3745	" " "
1/13/58	Holguin, Agustin		Did not report
12/11/57	Hathaway, Jim	539-19-9832	Worked 1 day
12/11/57	Halaz, Mike	548-56-4666	" " "
12/19/57	Hardin, Bob	565-50-5305	" " "
11/13/57	Heiser, Howard		Did not report
1/2/58	Harrison, John E.	454-44-0617	Worked 1 day
1/2/58	Hinojosa, Ramiro	466-22-1117	Did not report
12/31/57	Huerta, Jose	454-58-9213	" " "
1/2/58	Holland, Arthur	335-05-337	Worked 6 days
	Hernandez, Dorthy	56-54-0958	Did not report
	Hungate, Robert	549-24-8441	Worked 1 day
11/14/57	Holms, Theodore	327-12-9012	" " "
11/20/57	Hew Le, Gene		Did not report

Date	Name	Social Security #	Remarks
11/[illegible]/57	Holton, James	522-46-3644	Worked 1 day
11/20/57	Haymond, Merrill	521-16-6731	" " "
11/20/57	Haymond, Jay	509-36-3678	" " "
11/21/57	Houston,		Did not report
11/25/57	Hernandez, Danny	527-50-1494	Worked 3 days
1-13-58	Herminghouse, Frank	524-05-2717	Did not report
11/13/57	Holloway, Gene	430-58-6516	Worked 1 day
10/14/57	Hernandez, Beatrice		Did not report
11/8/57	Hetchler, Robert	388-22-1067	" " "
11/14/57	Haddock, David	564-54-7662	Worked 2 days
11/14/57	Haddock, Ralph	534-34-9496	" " "
	Horton, William	242-40-9140	Did not report
	Hurtado, Frank	553-48-5737	" " "
11/13/57	Holmgard, Mogens	Exchange Student	" " "
11/26/57	Hobbs, H. L.	450-12-7726	" " "
11/13/57	Heintz, Frank		Worked 1 day
	Hall, Bill		Did not report
10/21/57	Heron, Bill	568-52-5635	" " "
10/22/57	Heeck, Henrietta	558-36-5653	" " "
11/13/57	Holloway, Gene	430-58-6516	Worked 1 day
10/31/57	Johnson, W. R.	491-03-5454	Worked 6 days
1/10/58	Johnson, Homer	539-05-0395	Did not report
1/9/58	Johnson, William	567-39-9669	" " "
10/31/57	Johnson, Nancy	557-54-9959	Worked 6 days
10/31/57	Johnson, Robert	486-37-5677	Worked 3 days
	Johnson, Rudolf	372-01-0056	Did not report
11/12/57	Jackson, Fredrick	007-24-7380	Refused
11/15/57	Justice, Jerry	517-38-5506	"
11/15/57	Justice, Jim	352-03-2673	"
11/15/57	Justice, Jack	517-38-5502	"
11/19/57	Lund, Eason	520-40-0368	Did not report
10/16/57	Johnson, Lester	336-20-6495	Worked ½ day
10/31/57	Johnson, Agnes B.	491-03-2985	Worked 6 days
11/12/57	Keyes, John	553-01-0552	Did not report
11/12/57	Kimbro, Earl	518-28-0313	" " "
11/15/57	Knight, Richard	522-50-6899	" " "
11/5/57	Knight, John	445-16-6383	" " "
1/10/58	Kinney, John	712-03-8590	Worked 1 day
	Johnson, Silas	268-22-8401	Did not report
1/7/58	Langer, J. L.	447-28-9711	Refused
1/13/58	Larsen. J. W.	529-03-7588	Did not report
1/7/58	Langler, Jim	440-34-2158	Refused
1/8/58	Lira, Geronimo	450-18-2396	Did not report
1/10/58	Longrie, Jere	471-42-9350	Worked 1 day
11/14/57	Lopez, Pedro	165-32-6627	Worked 3 days
11/7/57	Lewis, James	533-20-3212	Did not report
11/7/57	Lewis, Kathy		" " "
11/8/57	Lawrence, Dover	224-20-6615	Worked 1 day
11/8/57	Lawrence, Walter	237-42-2011	" " "
11/15/57	Leslie,		Did not report
11/13/57	Linton, Raymond	720-03-3915	Refused
11/15/57	Leslie, Lyle	518-34-2234	Worked 1 day
11/26/57	Linde, Robert	475-38-3753	Did not report
12/11/57	Lene, Cecil	527-10-2535	Worked 1 day
12/13/57	Leon, Roy		Did not report
1/17/58	Mercado, Ramon	581-58-1492	Worked 2 days
1/15/58	Molina, Eugene	545-54-9714	Worked 2 hours
	Montantes, Henry	454-28-8944	Did not report
12/24/57	Merrietta, Alfred	556-07-2263	Worked 8 days
1/10/58	Morgan, Lloyd	324-26-8285	Refused
12/27/57	Monkgari, Louis	566-01-4794	Worked 10 days
	Mancillas, Angel	568-16-0195	Did not report
11/13/57	Mancillas, Charles		" " "
11/12/57	Marchan, Albert	545-54-8746	" " "
11/12/57	Myers, Robert	559-52-1508	Worked 4 days
11/25/57	Miguel, Sam	459-10-6722	Did not report
	Mc Guerran, Dennis	502-40-7433	" " "
1/14/58	Morgan, Don	499-40-7475	Worked ½ day
1/10/58	Miller, Gerald	566-40-4597	Did not report
1/10/58	Mason, James	440-24-2220	" " "
1/3/58	Morgan, Max	548-09-3164	Worked 2 days
	Mouth De Eleanor	482-12-2065	Did not report
	Martinez, Manuel	547-38-9463	" " "

Date	Name	Social Security #	Remarks
10/18/57	Maxine, Jim	564-24-9596	Did not report
10/29/57	Moore, Leroy	536-16-7913	" " "
10/23/57	Millard, Geneva	467-26-5803	" " "
10/31/57	Moore, Elanore	483-55-4976	Worked 3 days
11/14/57	Martin, Roy	568-52-8341	Did not report
11/13/57	Morris, Ronald	568-52-7761	Refused
11/12/57	Miller, Gordon	278-30-5574	"
	Madore, Walter	020-12-6751	Did not report
12/10/57	Maxell, Ed	564-50-7847	" " "
	Moran, Travis	502-36-4485	" " "
11/15/57	Mohler, Edward	557-54-7834	Worked 4 days
10/30/57	Montiel, Joe		Refused
1/31/58	Martinez, John	525-88-3912	Did not report
1/9/58	Molina, Eugene	545-54-9814	" " "
1/7/58	Monroe, Bob	555-50-0090	Worked 1 day
1/10/58	Martinez, Richard	569-38-8452	Worked 1 day
11/19/57	Maylan, Timothy	045-05-0531	Did not report
	Nocolay, Larned	530-03-6317	" " "
12/11/57	Mc Nall, D.	569-48-7048	" " "
	Neal, Charles	292-22-8545	" " "
11/13/57	Mc Nutt, Don	568-52-9350	Refused
	Ortiz, Tony		Did not report
11/9/57	Ogle, Clifford	547-22-5087	" " "
11/6/57	Oats Alken, Charley	462-05-9326	Worked 5 days
11/20/57	Osborn, Joseph	434-05-7963	Did not report
1/13/58	Prestridge, Shoy	526-22-7496	Worked 5 days
	Peoples, Ira	453-22-0501	Did not report
	Perez, Antonio	459-24-7919	" " "
12/26/57	Puett, Lewyllen	524-20-0388	" " "
12/10/57	Paige, Vicente	197-12-2176	" " "
12/10/57	Perez, Reynaldo	565-42-8435	" " "
	Perez, Ignacio	452-28-5404	" " "
11/19/57	Perez, Magdaleno	507-38-8563	" " "
11/25/57	Price, Richard	567-52-1362	" " "
11/25/57	Palacios, Henry	555-50-1265	Worked 1 day
11/5/57	Peterson, Alvin	392-28-6684	Did not report
10/21/57	Peirce, Edward	13-55-9199	Did not report
10/21/57	Powell, B. W	443-03-8352	" " "
10/21/57	Priest, Eddie	569-22-7046	" " "
10/21/57	Page, Wayne	432-16-8397	" " "
1/18/58	Romo, Walter	549-52-7686	" " "
1/18/58	Romo, Ernest	571-42-1084	" " "
12/26/57	Ryes, Delfino	526-32-7730	" " "
11/1/57	Rowe, Leonard	009-20-9120	Refused
11/25/57	Ramos, Paul	548-50-1270	Worked 1 day
11/7/57	Ramos, Pete	527-01-2611	Worked 6 days
11/15/57	Robbina, James	411-30-2629	Refused
11/12/57	Rodriguez, Lupe	551-38-2942	Did not report
11/12/57	Riojas, Luis	456-64-8671	" " "
	Romero, Cirpiano	464-40-1417	" " "
1/2/58	Reynolds, Marion	447-16-5110	" " "
12/13/57	Richter, Don	469-38-0649	Worked 1 day
12/13/57	Richter, Rodger	470-42-6086	" " "
	Reeves, Don	460-22-7960	Did not report
1/3/58	Rendon, Leopoldo	525-46-6477	" " "
1/7/58	Robles, Robert	549-44-4932	" " "
10/9/57	Rinfroe, Foy	452-12-2640	" " "
1/13/58	Reynolds, Ray	568-05-7578	" " "
	Reinhardt, Ed	567-01-4087	" " "
10/15/57	Ripley, Gene	488-34-2168	Worked 3 days
10/18/57	Rodriguez, I. A.	548-12-6408	Did not report
	Soto, Paul	413-42-5314	" " "
	Stice, Walter	566-44-4721	Refused
11/1/57	Santoya, Mary	560-54-1753	Did not report
	Stavisky, Charles	566-10-8709	Refused
12/24/57	Seal, Bill	457-03-9179	Worked 1 day
11/1/57	Santoyo, Tony		Did not report
11/7/57	Sehow, Eldon	528-12-004	" " "
11/1/57	Santoya, Jesse		" " "
	Smith, Charles	407-44-2109	" " "
1/7/58	Sandoval, Augstine	570-30-9611	Worked 1 day
1/2/58	Smith, Lawrence	552-12-0064	Worked 6 days

Date	Name	Social Security #	Remarks
1/9/58	Smith, R. O.	447-01-5439	Did not report
1/15/58	Sauve, Leroy	383-16-9591	Worked 2 days
1/14/58	Strause, James	543-30-0949	Worked 2 days
1/14/58	Sanders, Don	534-32-9464	Did not report
1/8/58	Stimson, Marvin	331-07-4352	Did not report
12/11/57	Smith, Dale	555-16-6651	" " "
	Segoe, W. S.	566-01-9515	" " "
11/15/57	Sanford, Archiel	557-54-6349	Worked 4 days
12/13/57	Sanchez, Joe	570-50-5035	Did not report
12/13/57	Sanchez, Paul	552-40-5719	" " "
1/13/58	Serwinoswski, Marian	074-30-5411	Worked 1 day
	Scott, A.	557-16-9133	Did not report
1/14/58	Stilts, Lloyd	489-44-6138	" " "
1/13/58	Strode, J. P.	462-16-3642	Worked 4 days
11/20/57	Schmidt, Roy	447-91-5439	Did not report
11/13/57	Seipp, Vitale	078-03-9814	Worked 1 day
11/14/57	Smyth, Charles	458-20-4649	Worked 2 days
11/14/57	Slappy, Le Roy	208-26-3234	Worked 3 days
11/14/57	Stevens, Wallace	202-24-7974	Worked 3 days
	Salazar, Carmen	568-32-1332	Did not report
11/5/57	Sanchez, Martin		" " "
11/8/57	Saucedo, Danny	566-48-1610	" " "
11/19/57	Schnicker, James		" " "
	Shown, Neal	441-09-1620	" " "
10/24/57	Soller, Charles	315-03-3234	" " "
	Serra, Peter	545-09-7026	" " "
12/10/57	Terrill, Brack	486-30-6865	" " "
12/10/57	Terrill, Fred		" " "
1/8/58	Trujillo, Jose	565-24-866	" " "
1/8/58	Taylor, J.	401-28-0950	" " "
10/28/57	Taylor Harry	199-20-2284	Refused
10/31/57	Torres, Eddie	525-68-8460	Unable to do work
11/12/57	Tapia, Alex		Did not report
11/15/57	Tollison, James	412-14-5419	Refused
	Tolentino, Arthur	561-07-1204	Did not report
12/24/57	Villar Del Martin	550-36-1668	Worked 2 days
1/10/58	Voijkufka, Robert	564-26-1150	Did not report
11/14/57	Voiolette, Robert	350-28-4513	Worked 7 days
11/12/57	Vars La, H. F.	547-22-6398	Worked 1 day
1/13/58	Wilcox, Ted	492-16-4957	Did not report
1/10/58	White, W. James	264-24-9005	" " "
	Wooten, Lillie	461-44-8722	" " "
11/14/57	Whitworth, Fred	557-54-6290	" " "
10/22/57	West, Edward F.	710-14-9081	" " "
11/14/57	Wright, Sam		" " "
10/22/57	Wagner, Jean	361-20-6670	" " "
11/14/57	White, Rex	564-10-2193	" " "
11/14/57	Warner, Don	110-10-0817	" " "
	Wire, Curvien	197-10-7171	" " "
	Wilmon, David	563-54-8980	" " "
12/27/57	Williamson, George	554-46-9179	" " "
1/9/58	Williams, Warren	310-14-3580	" " "
1/16/58	Young, John C.	725-09-5970	" " "
1/7/58	Yarberry, Charles		Worked 1 day
10/21/57	Yarnell, Robert		Did not report
10/29/57	York, Bob	547-46-7674	Refused

les Times LOCAL NEWS
EDITORIALS—CLASSIFIED

NG, AUGUST 17, 1959 † Times Office: 202 West First Street, Los Angeles 53, Calif. MAdison 5-2345

Shortage of Labor Causing Heavy Peach Harvest Loss

Tomatoes and Grapes in Danger

BY RAY HEBERT
Times Staff Representative

MODESTO, Aug. 16 — The sour odor of rotting fruit filled the green orchards of the nation's Peach Bowl here today as growers, unable to get enough pickers, counted their losses in hundreds of thousands of dollars.

One estimate said peach growers in Stanislaus County had already lost $1 million and stand to lose millions more if the critical labor shortage is not alleviated. Neither domestic agricultural workers or Mexican nationals were available in sufficient numbers to get the $21 million crop harvested.

Harvest Beginning

"The job is just beginning," said James W. Smith, Modesto grower and acting president of the Peach Growers Marketing Committee.

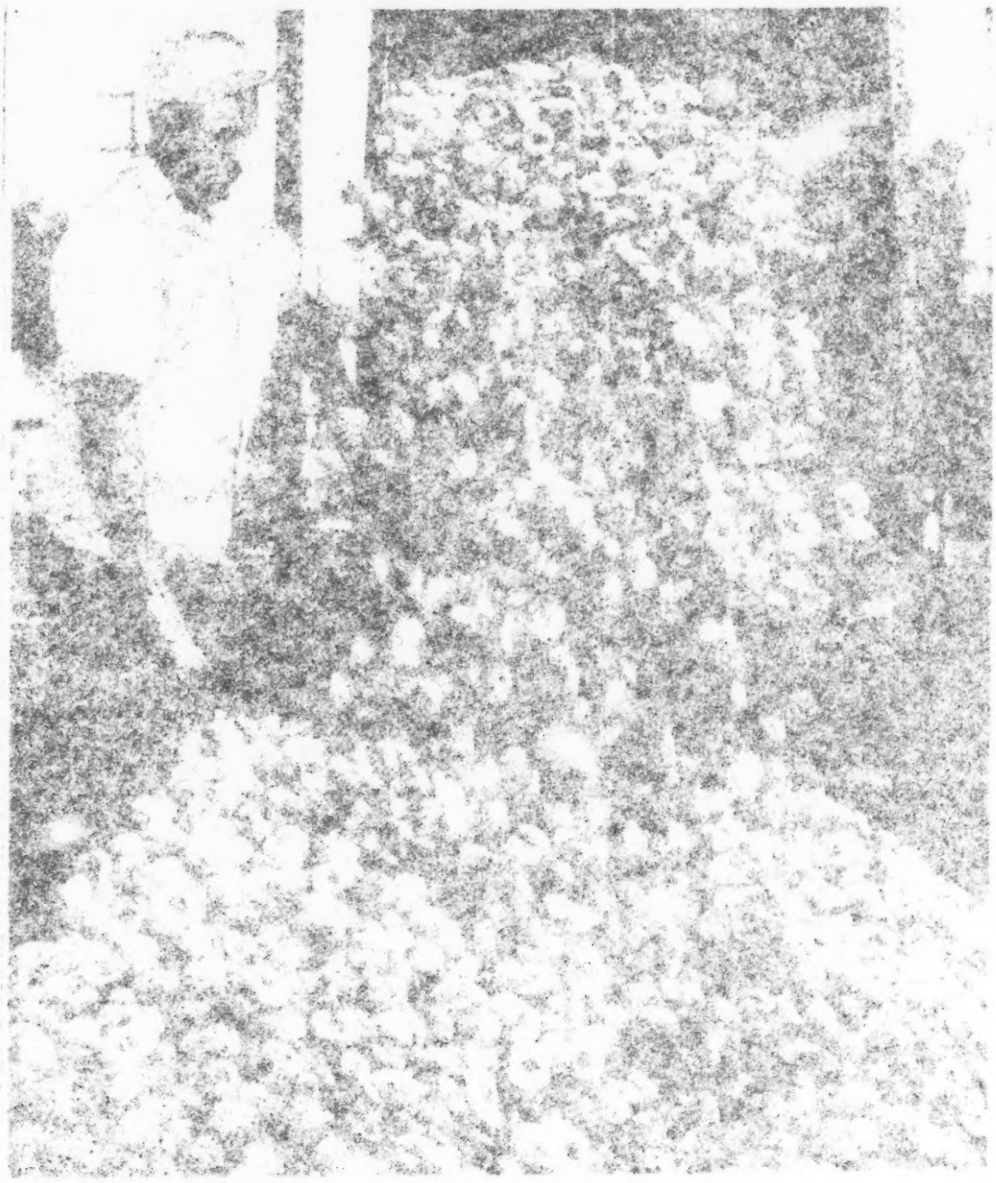
"Right after [illegible] our tomatoes and grapes are due. The [illegible] will become critical [illegible] weren't [illegible]."

[illegible] was one of a dozen growers and labor officials who talked to a reporter about the breakdown in the supply of farm laborers.

[illegible] they spoke of [illegible]

Braceros Arriving

[illegible]



SPOILED PEACHES.—[illegible] peaches, [illegible] of spoiled peaches lying dumped in a roadside orchard after [illegible] labor. Peaches were [illegible] resulting [illegible]



SCHEDULE - Navel Orange Effective December 14, 1959

WEST SAN BERNARDINO AND EAST LOS ANGELES COUNTIES

PICKING PAY SCHEDULE
PUBLISHED RATE

Rate of Pay in Cents per Box

Production in Boxes per Tree	Medium Trees	Large Trees	Extra Large Trees
Under 1/2 box	.28	.30	.32
1/2 but under 1 box	.24	.26	.28
1 but under 2 boxes	.20	.22	.24
2 but under 3 boxes	.18	.20	.22
3 but under 4 boxes	.16	.18	.20
4 but under 5 boxes	.16	.17	.19
5 or more boxes	.16	.16	.18

The above rates are based on a standard Field Box of 3115 cubic inches as specified by California statutes.

The crop wage area shall be as specified on previous wage findings by the Department of Employment, State of California, and described as follows:
San Bernardino County west of Etiwanda Avenue and Los Angeles County (Mid N.E.) Pomona District.

Tree sizes are defined as follows:
MEDIUM TREE is one that requires a 19 foot ladder or under.
LARGE TREE is one that requires a 20 to 22 foot ladder.
EXTRA LARGE TREE is one that requires more than a 22 foot ladder.

The above schedule is designed to afford the worker of average ability the opportunity to earn an average hourly amount of not less than the prevailing hourly wage rate for comparable agricultural work in the crop wage area of employment.

Should the crew average hourly earnings fall below the prevailing hourly wage rate for comparable agricultural work in the crop wage area of employment, an upward adjustment in piece rates will be made to insure such earnings.

FOOTHILL CITRUS GROUP

Upland Lemon Growers
Upland Citrus Association
Euclid Avenue Orange Association
LaVerne Co-Operative Citrus Association
College Heights Orange & Lemon Ass'n
Walnut Fruit Growers
North Whittier Heights Association
Cucamonga Mesa Growers
San Antonio Orchard Co.
Orange Belt Fruit Growers
Consolidated Lemon & Orange Co.
LaVerne Orange Association

Earl Weatherwax
Chairman

AGRICULTURAL PRODUCERS LABOR COMMITTEE

129 SO. ALVARADO STREET
LOS ANGELES 57, CALIFORNIA

DUnkirk 5-5065

INFORMATION BULLETIN

October 19, 1959 - No. 55

To: Board of Directors
Packing House Managers
Citrus Labor Association Managers
District Exchanges

This Bulletin is directed to the employers of Mexican National workers.

On November 21, 1958, a "Policy to Effectuate in Region X the Average Hourly Earnings Policies of Mexican Nationals Working at Piece Rates" was agreed to by a select committee of growers. Mr. John V. Newman, a director on APLC Board, is a member of this committee. Following the agreement by the committee for the adoption of this policy, meetings were held by the Department of Labor Region X officials in practically every area in the State. Employers of Mexican Nationals were invited to attend.

Following these meetings, certain revisions,as suggested by employers, were made, and the effective date was set for February 1, 1959.

The policy in its final draft is enclosed and we earnestly request your continued study of each of its provisions.

We sincerely believe that employers generally have attempted to adhere strictly to the provisions. We also feel the administrators have attempted to administer the provisions reasonably and intelligently. There have been, however, instances brought to our attention where both parties are alleged to have misinterpreted the provisions or, for other reasons, have failed to follow the intent.

If, for any reason, you are unfamiliar with the application of any provision in this policy as it would apply to the employment of Mexican Nationals at piece rates, please arrange to consult with the labor association manager in your area and/or this office.

Sincerely,

J. J. Miller

J. J. Miller
Manager

JJM:cc
Enc.

UNITED STATES DEPARTMENT OF LABOR
Bureau of Employment Security
630 Sansome Street
San Francisco 11, California

C
O
P
Y

November 21, 1958

Policy to Effectuate in Region X the Average Hourly Earnings Policies of Mexican Nationals Working at Piece Rates

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There follow statements which will adapt in Region X the average hourly earnings policy for Mexican Nationals employed at piece rates. That policy was agreed to by the Bureau of Employment Security and the Mexican National Subcommittee on July 24, 1958. These statements concern (A) general statement of policy application in Region X, and (B) Region X field staff verification. In the preparation of these statements, consideration has been given to both Bureau material relating to that policy 1/ and to operating conditions in this Region.

A. General Statement of Policy Application in Region X.

1. As a condition of authorization to employ Mexican workers on activities compensated on a piece rate basis, employers will be expected to establish piece rates at levels:

   (a) sufficient to afford a Mexican worker the opportunity to earn an hourly average rate not less than the prevailing hourly wage rate for comparable agricultural work in the area of employment, 2/ and

   (b) such that Mexican workers of normal competence, who apply themselves diligently, will be afforded the opportunity to average not less than 50 cents per hour. The measure of this policy will be that at least 90 percent of the workers receive at least 50 cents per hour.3/ and 4/

1/ This material includes (1) Goodwin letter 5/8/58 to Keith Mets confirming agreements reached 5/2/58 between Secretary Mitchell, the Subcommittee and interested Congressmen and growers; (2) ESPL 885 dated 5/21/58, relating primarily to the 90-10, 50¢/hr. policy; (3) Goodwin memo 7/25/58 to members of the Mexican Subcommittee on the 7/24/58 agreed average hourly earnings policy; (4) ESPL 916 dated 8/15/58 relating to both the 90-10, 50¢/hr. and the prevailing hourly rate above 50¢/hr. policies, and (5) Reg. Memo. 762 dated 8/29/58, concerning, primarily, the method of application of the policies enumerated in (3).

2/ This will not apply where a grower can show for a given payroll period that earnings of Mexican workers do not come up to the prevailing hourly wage rate because of temporary conditions and that this condition exists with respect to both Mexican Nationals and domestic workers and where the piece rate being paid will, over a season, meet the requirement. In such instances, should the workers' average earnings for the season fail to meet the requirement, such shortage shall have to be made up with the understanding that the first and last payroll periods in the season need not be included.

(See footnotes 3 and 4 on page 2.)

2. The responsibility for the effectuation of the policy outlined in Item 1 above is with the employer (i.e., the association or the contracting grower-user).

3. The above policy will be applied by employers on a per user, per payroll period, per activity, per crop area basis. Employers shall provide records that will show that the above standards under these requirements will be met. Adjustments where needed will be effectuated on next succeeding payrolls.

4. Region X field staff will participate with employers in periodically reviewing and verifying the operations of the employer in meeting these responsibilities.

B. Region X Field Staff Verification.

It will be the responsibility of the field staff to:

1. Prepare and forward to the Regional Office a report on the detailed, specific method used by each employer to effectuate the policy as outlined in (a) and (b) above.

2. Assist the employer in the development and application of methods of payroll review, which will effectuate the policy and will assure that employer responsibilities are being met.

3. Participate with employers in periodically test checking the actual system or method of operation used by the employer:

   (a) Noting any changes in the method as described in Item I above;

   (b) Verifying that the method described is in actual use;

   (c) Verifying that timely corrective action has been taken, and

   (d) Reviewing with the employer any individual instances where additional corrective action should be taken;

4. Advise the Regional Office of specific instances where corrective action should be but was not taken.

5. As requested by the Regional Office, prepare summary data on average earnings experience of piece rate workers.

3/ The so-called 90-10 requirement will not be applicable if the grower can show for a given payroll period that the normally qualified domestic male workers working at the same piece rates, at the same activity, for the same area and under the same working conditions are earning an average not less than the prevailing hourly wage for comparable farm work.

4/ As a rule of thumb for investigative or reporting purposes, these conditions will be presumed to have been met whenever the average hourly earnings for any group in question are 80¢ or more.

(Footnote numbering revised 1/19/59)

D R A F T C O P Y

UNITED STATES DEPARTMENT OF LABOR
Bureau of Employment Security
630 Sansome Street
San Francisco 11, California

December 1, 1958

APPLICATION OF PIECE RATE EARNINGS POLICY
REGARDING MEXICAN CONTRACT WORKERS IN REGION X

The policy on piecework rates paid Mexican national workers was set forth in a statement dated November 21, 1958.

A basic principle in the implementation of that policy is that growers assume a greater share of the responsibility for compliance with the Migrant Labor Agreement and the Standard Work Contract. This was more fully described in a letter to you dated September 17, 1958 from Mr. H. D. Huxley and an accompanying letter from Mr. John Newman, Chairman of the California Growers Farm Labor Committee.

It is the feeling of the regional office and the California Growers Farm Labor Committee that a large majority of the users of Mexican nationals are already meeting the standards set forth in this policy but need to assure themselves that they have in operation necessary procedures to demonstrate they are being met. To accomplish this an association or individual contracting grower will need the following:-

(a) Good records and payrolls[2] that properly show the area of employment,[3] the crops involved, the type and varieties of piece rates[4] being paid, and an accurate reporting of the hours worked and the units of work produced.

(b) A system whereby from these records efficient payrolling[5] is being done that will quickly show[6] the total hours worked, the total earnings, and the average earnings of the workers involved in any given payroll period.[7]

(c) A system whereby this efficient payrolling will afford a quick review to demonstrate to the association or the individual user that his workers are or are not[8] earning the target rate[9] (the target rate being the prevailing hourly rate for comparable agricultural labor in the area and activity).

(d) A system to provide quick remedial action, where the findings show deficiencies, to bring the association or individual contracting employer into conformity with the attached policy statement.

The regional office is not interested in or attempting to invoke a uniform type of system of procedure to arrive at these answers and proofs which the association must have for its own operation and

activity. The Foreign Labor Service Representative officer will, when making necessary compliance checks, 10/ have to submit a report which will include the following:

(a) an outline of the system or systems being used by the association;

(b) the area and crop activity covered;

(c) the piece rate units and method of payment and computation;

(d) the State wage survey under which each activity is being conducted; and

(e) the number of men involved in each unit examined, the total amount of money earned in relation to the given number of hours worked in a given payroll period, and the average that the unit or crew of men earned.

If this information is quickly available to the association for the conduct of its operation, it should be equally and easily available to the compliance officers.

For the purpose of this explanation, certain words in this introductory statement have been underlined. A list of definitions of these words is attached for your information (attachment B). To further simplify the inauguration of this system of proof, compliance enforcement and checks, a series of meetings are being held throughout the State to discuss ways, means and methods with the various associations and/or employers.

Attachments - (1) Statement dated November 21, 1958, entitled "Policy to Effectuate in Region X the Average Hourly Earnings Policies of Mexican Nationals Working at Piece Rates."

(2) List of Definitions of Footnote references.

(3) Memorandum dated April 30, 1958, to the Farm Placement Field Staff (BES), subject "Form FP-37 Payroll Inspection Report."

Attachment B

DEFINITIONS C O P Y

1/ "Employer" means the association, corporation, partnership or individual grower who is directly responsible for the contracting of Mexican nationals.

2/ The term "records and payrolls" as used here refers also to present requirements that payrolls show information for each Mexican contract worker, including the worker's name and ID-100 number; daily records of actual hours worked, at each stated activity and rate of pay, hourly or piece rates, and hours refused, number of units produced at piece rates; etc.

3/ The term "area of employment" means the area to which the State wage survey for the applicable activity applies.

4/ The term "piece rates" as used here means the single, multiple or schedule of piece rates applicable in the area to the activity involved. It does not mean that average hourly earnings must be computed for each rate within a multiple rate or schedule of rates.

5/ The term "efficient payrolling" as used here means the prompt computation of payroll records to determine the average hourly earnings by the simple division of total wages of Mexican nationals at the indicated activity by the total hours worked at that activity and the notation of that computation and result on at least the payroll involved.

6/ The term "quickly show" here means that payrolls for any pay period are to be in the association's office within 10 days following the last work day included in the payroll period, and that these payrolls are promptly processed as indicated in footnote 5/. (Note-Some associations suggested it may be desirable for members to compute hourly earnings for piece rate activities on their payroll before submitting those payrolls to the association office. In this way they, the individual user-member, would know at once any piece rates involving low earnings and could make appropriate investigation or adjustment at the beginning of the succeeding payroll period rather than await advice from the association office.)

7/ The term "payroll period" as used here means the period customarily used by the individual user-member involved, whether that be weekly or biweekly. Where deficiencies are involved, payroll periods of less than two weeks may be combined, not to exceed a two-week period.

8/ Where adjustments are required to the basic piecework rate or schedule of rates involved, these cannot be made by merely increasing the hourly earnings payments of certain individual workers. Adjustments need not be retroactive to the payroll

(Note-Last two sentences of footnote 6/ added 1/19/59

period to which the initial substandard earnings were computed, but the adjustments must be made effective with the start of the next succeeding payroll.

9/ The term "target rate" as used here means the prevailing hourly rate for comparable agricultural labor in the area and activity.

10/ "Compliance check" means at least once each season for each piece rate activity for each employer, and at such additional times as directed by the regional office. Deviations from the basic plan in use by the employer and the reasons therefor are to be reported as and when made.

U. S. DEPARTMENT OF LABOR
Bureau of Employment Security
Room 506, 630 Sansome Street
San Francisco 11, California

COPY

R.F.M.D-8
(Rev. 4-30-58)

MEMORANDUM

TO: Farm Placement Field Staff

FROM: A. J. Norton

SUBJECT: Form FP-37 Payroll Inspection Report

This memorandum introduces FP-37, "Payroll Inspection Worksheet," which has been designed to standardize payroll inspection procedures. All field representatives are reminded that such inspections are an integral part of our overall inspection program, and are regularly performed to insure the proper payment of wages and the maintenance of adequate records by the employer.

Form FP-37 may be used both as a worksheet at the time of inspection and as a report form to be attached to your ES-340, much in the same way as the housing inspection report FP-24-A.

Items 1 through 12 are based upon the requirements of Migrant Labor Agreement Article 18 and Work Contract Article 19, as described more fully on page 11 of the booklet "Mexican Workers" recently published by the Department of Labor.

Item 13 is based upon the requirement of Migrant Labor Agreement Article 15 and Work Contract Article 4 that the pay period for Mexican workers must coincide with that of the employer's domestic workers but not be less frequent than biweekly.

Item 14 is based upon the employment guarantee and subsistence (64-hour) provisions of Work Contract Article 10.

Item 15. If contract has not been completed, mark not applicable.

Item 16 is based upon the requirement of Migrant Labor Agreement Article 33 that final wages due Mexican workers whose addresses in the United States cannot be ascertained be paid through the appropriate Mexican Consul (See R.F.M. E-10).

Item 17 is based upon the prevailing wage requirements of Migrant Labor Agreement Article 15 and Work Contract Article 4. How this item will ordinarily be filled out is shown on the sample FP-37 attached to this memorandum. Note that although this form is designed to accommodate only one user-member at a time space is allowed for several different activities in which he may be engaged during the pay period or periods inspected. Where rates actually paid to Mexican workers are shown as equal to or greater than those which prevail in the area of employment for the corresponding crop and activity no further information will be necessary to complete your report. Keep in mind, however, that in no event may the rate paid Mexican workers by an individual user by less than that which he pays his domestic workers for similar work, even though this rate may be greater than that which prevails in the area of employment. This is especially important where wage ranges, as opposed to single wage rates, are involved. (See sample)

Your "Authority" for prevailing wages will ordinarily be the most current crop wage area finding furnished by the State agency. In the absence of such a finding mark this space "See below" and explain in Item 18 what basis was used for determining the prevailing wage for the crop and activity in question. (See sample)

Item 18 - If minor deficiencies in payroll records are found, items 1 through 13, are corrective action is taken immediately, check A. If major deficiencies in the records are found, or failure to pay correct wages or subsistence, Items 14, 15, 16, and 17, a deficiency notice, FP-37-A should be given to the employer and the user-member and a reinspection should be scheduled and made. Any money recovered for Mexican workers as a result of a payroll inspection should be reported in Item 10 of the ES-340.

Item 19. This item is designed to evaluate whether the average worker on piecework is able to earn, for the indicated crop, activity, and piecework rate, at least the prevailing hourly rate for that activity in the area. Items to be entered in the various columns are described below:

Piecework Activity Shown in Item 17. These references are identical to those shown in Item 17 on the reverse side of this form, but apply only to activities for which this user-member is paying piecework rates.

Prevailing Hourly Rate. Enter here the hourly rate (if any) included on the pertinent wage finding. If no such hourly rate is shown on that finding, enter the hourly rate generally prevailing for the activity in the area, a rate which you know or can secure from the local farm placement representative.

Total Earnings. Enter here the total earnings of piecework for all workers shown on the payroll paid piecework for the indicated activity.

Total Hours. Enter here the total hours worked of piecework for all workers shown on the payroll paid piecework for the indicated activity.

Average Hourly Earnings. Enter here your computation of the average hourly earnings by dividing the entry of Total Earnings by total hours for the indicated piecework activity.

Total Workers On Payroll. Enter here the total workers on the payroll regardless of the activity in which they were engaged and regardless of whether they were paid piecework, hourly or other methods of payment.

Total Wages On Payroll. Enter here the total gross wages earned by all workers on the payroll.

In case hourly or earnings data by worker for the various indicated activities is not shown on the payroll, please be sure your entries in Items 4,5,6, and 7 are consistent with fact and that Item 18 includes a statement of the corrective action you took.

Item 19a. In this item indicate, in any instance where the Average Hourly Earnings are lower than the prevailing hourly rate for the indicated activity, the reasons given you for that fact and the corrective action taken.

C O P Y

PAYROLL INSPECTION WORKSHEET FP-37
(Rev. 4/30/58)

Attachment to ES-340

Association Employer:_____ User-Member:_____

Date & Place of Inspn._____ Payroll Period(s)_____to_____

Examination of these payrolls showed compliance or lack of compliance, as indicated, with the following requirements:

		Yes	No
1.	Name and Address of user-member.	___	___
2.	Dates of Pay Periods shown	___	___
3.	Workers' Name & I-100 No. shown.	___	___
4.	Kind of Work shown	___	___
5.	Wage Rate shown.	___	___
6.	Units of Production shown when on piece rate work.	___	___
7.	Hours of Work shown when on piece rate or hourly rate work	___	___
8.	Unworked hours accounted for	___	___
9.	Gross Earnings shown	___	___
10.	Deductions itemized.	___	___
11.	Net Earnings shown	___	___
12.	Statement of Earnings in English & Spanish given to workers	___	___
13.	Pay Periods not less frequent than biweekly.	___	___
14.	64-hour Employment Provision met	___	___
15.	Guarantees, 3/4 or 5/6 met, where applicable	___	___
16.	Wages for Skips paid through channels.	___	___

17. PAYMENT OF PREVAILING WAGE RATES

CROP & ACTIVITY	RATE PAID		PREVAILING WAGE INFORMATION		
	Natls.	Dom.	Rate	Authority	Eff. Date
a.					
b.					
c.					
d.					

18. ACTION TAKEN TO CORRECT DEFICIENCIES: (Use add'l sheets if necessary).

A. Corrective action taken immediately, no other action necessary_____.

B. Deficiency notice FP-37-A left. (date_____) (Emplr._____). (User__ _____).

_____ inspection scheduled for (date) _____.

_____
F. L. S. Representative

19. Average Hourly Earnings for Piecework Activities

Piecework Activity Shown in Item 17	Prevailing Hourly Rate	Total Earnings	Total Hours	Average Hourly Earnings
17a				
17b				
17c				
17d				
Total workers on payroll (hourly, piecework or other). . . .				
Total wages on payroll (hourly, piecework or other).				

19a. Explain low average hourly earnings on piecework.

19b. Other comments.

C O P Y

FP-37-A

U. S. DEPARTMENT OF LABOR
Bureau of Employment Security
Room 506, 630 Sansome Street
San Francisco 11, California

PAYROLL DEFICIENCIES WHICH NEED CORRECTION

USE: This form shall be used to indicate deficiencies found on payroll record inspections on which corrective action could not be taken immediately, and which necessitates a reinspection.

PREPARATION: Specify time in which deficiencies must be corrected.

In listing deficiencies be specific; for example: "hours of work when on piece rate not shown, statement of earnings in English and Spanish not given to workers". If monies are owed workers for subsistence or wages, list in detail.

DISTRIBUTION: Original to be signed by the employer and retained in FLSR's file, pending reinspection.

1 copy to employer.

1 copy to user-member.

1 copy to FLSR's file.

ACTION ON REINSPECTION: Use original FP-37-A. Give date of reinspection. If all deficiencies have been corrected, sign FP-37-A and submit with ES-340.

If deficiencies have not been corrected, recommend action you feel necessary. Sign FP-37-A and submit with ES-340.

FP-37-A
4/30/58

U. S. DEPARTMENT OF LABOR
Bureau of Employment Security
Room 838, 630 Sansome Street
San Francisco 11, California

C O P Y

Date_____

PAYROLL DEFICIENCIES
WHICH NEED CORRECTION

Employer _____

User-member _____

Address _____

On the above date the deficiencies listed below were found on inspection of the payroll records for the above user-member by U.S.E.S. Representative_____. These deficiencies must be corrected to meet the minimum requirements of the Migrant Labor Agreement and Work Contract, not later than_____.
(Date)

On_____reinspection revealed that all the deficiencies were corrected.
Deficiencies NOT corrected, following action recommended:_____

_____

_____

_____

_____
U.S.E.S. Representative

AGRICULTURAL PRODUCERS LABOR COMMITTEE

129 SO. ALVARADO STREET
LOS ANGELES 57, CALIFORNIA

DUnkirk 5-5065

INFORMATION BULLETIN

October 29, 1959 - No. 58

To: Board of Directors
Packing House Managers
Citrus Labor Association Managers
District Exchanges

The attached report is submitted to you for your study and appraisal. Following is the text of a letter accompanying this report, dated October 23, 1959, from Mr. Robert C. Goodwin, Director of Bureau of Employment Security.

"Last March, Secretary of Labor Mitchell appointed four consultants to examine the Mexican farm labor importation program, authorized by P. L. 78, and to suggest ways in which the program might be improved.

"The Consultants were:

Mr. Glenn E. Garrett
Executive Director, Good Neighbor Commission of Texas
Chairman, Texas Council on Migrant Labor
Austin, Texas

Very Rev. Msgr. George G. Higgins
Director, Social Action Department
National Catholic Welfare Council
Washington, D. C.

Mr. Edward J. Thye
Farmer and Former U. S. Senator from Minnesota
Northfield, Minnesota

Dr. Rufus B. von KleinSmid
Chancellor, University of Southern California
Los Angeles, California

"In view of your interest, we are attaching a copy of this report and the press release. Additional copies are available if needed."

Sincerely,

J. J. Miller

J. J. Miller
Manager

JJM:cc
Enc.

NEWS from the U. S. DEPARTMENT OF LABOR
James P. Mitchell, Secretary

C O P Y

USDL--2969

FOR RELEASE: A.M. Editions
Friday, October 23, 1959

REPORT ON FARM LABOR IMPORTATION URGES GREATER PROTECTION OF U. S. WORKERS

A committee appointed by Secretary of Labor James P. Mitchell to study the program under which about 500,000 Mexicans are brought into the United States yearly to supplement the seasonal farm labor supply has recommended temporary extension of the program provided the Secretary is given greater enforcement powers to protect the interests of American agricultural workers.

U. S. workers in some instances have been deprived of job opportunities, their working season shortened, and wages and earnings held down by employment of the foreign workers, the committee declared.

The report said:

. Mexicans are being used increasingly in year-round and skilled occupations contrary to the original intent of the legislation authorizing the program, Public Law 78.

. Wage rates in activities employing Mexicans have lagged behind the wage levels for farm work generally. Employers of Mexicans tend to pay less to American farm help than those who use American workers only.

. Many employers prefer Mexicans because they represent an assured work force. Thus in some areas almost 100 percent of the seasonal work on certain crop activities is performed by foreign workers.

The committee noted that U. S. workers lack the protections afforded Mexicans who are brought into this country. Under an agreement with the Mexican Government, the imported workers are given guaranteed employment and free transportation, housing, and occupational insurance.

The committee made these specific recommendations:

. The law should clearly confine the use of Mexicans to necessary crops in temporary labor shortage situations and to unskilled nonmachine jobs.

. The Labor Secretary should be authorized to establish wage rates for Mexicans at prevailing levels and at no less than is necessary to avoid an adverse effect on U. S. workers.

. He should be authorized to insure active competition among employers for the available supply of U. S. workers by being empowered to refuse to certify employment of Mexicans unless (1) employers have first made "positive and direct recruitment efforts" to obtain U. S. workers, (2) employment conditions offered are equal to those provided by other employers in the area who successfully recruit and retain U. S. workers, (3) U. S. workers are provided benefits equivalent to those given Mexican nationals, and (4) employers of Mexicans offer and pay U. S. workers wages which are not less than those paid to Mexicans.

. The Secretary should be empowered to set up standards for judging adverse effects resulting from employing Mexicans.

. A tripartite advisory group composed of members from management, labor, and the public should be established to advise the Secretary on the Mexican farm labor program.

Members of the committee appointed by Secretary Mitchell last May are The Honorable Edward J. Thye, former U. S. Senator from Minnesota; Very Rev. Msgr. George G. Higgins, Director, Social Action Department, National Catholic Welfare Conference, Washington, D.C.; Glenn E. Garrett, executive director of the Good Neighbor Commission and chairman of the Texas Council on Migrant Labor; and Dr. Rufus B. von KleinSmid, chancellor of the University of Southern California.

The committee said that while shortcomings in Public Law 78 have hampered the Labor Secretary in protecting U. S. workers, the farm labor program has been successful in obtaining unskilled workers to meet labor shortages and in helping to eliminate illegal entry of "wetbacks."

# # # # #

(S-60-680)

MEXICAN FARM LABOR PROGRAM
CONSULTANTS REPORT
October, 1959

COPY

Consultants to the Secretary

Mr. Glenn E. Garrett
Very Rev. Msgr. George G. Higgins
Mr. Edward J. Thye
Dr. Rufus B. von KleinSmid

Executive Secretary
William Mirengoff

I. Introduction

In enacting Public Law 78, Congress intended to accomplish two basic objectives: First, obtain agricultural workers from Mexico to meet peak seasonal labor shortages. Second, insure that our own domestic farm workers will not be adversely affected by the employment of Mexicans.

The Department of Labor has now had eight years of experience in administering PL 78. A review of this experience indicates that the Department has been successful in meeting the first purpose of the Act, namely, obtaining unskilled workers from Mexico to assist the United States in the production of agricultural commodities. Almost one-half million Mexicans were brought into the country last year in an orderly and organized fashion to supplement the domestic farm work force. The existence of such a legal importation system has facilitated the elimination of the illegal entry of Mexicans ("wetbacks"). Although improvement in compliance activity is indicated, the mechanics for recruiting Mexicans, operating reception centers, transporting "braceros" and policing their conditions of employment have been improving each year.

However, the Department has been much less successful in meeting the second major objective of the Law--protecting the domestic work force from the effects of Mexican importation. The Secretary of Labor has found it extremely difficult to administer Section 503 of the Act which prohibits the authorization of Mexican employment unless the Secretary determines that: (a) domestic workers are not available, (b) use of Mexicans will not adversely affect wages and working conditions of domestic farm workers, and (c) reasonable efforts have been made to attract domestic workers at wages and standard hours of work comparable to those offered to Mexican workers.

In appointing the Consultants to advise him on problems arising out of PL 78, the Secretary of Labor expressed particular concern with the following questions:

A. Adverse Effect -- Does the availability of "braceros" restrict employment opportunities for domestic farm workers? Does it adversely affect wages and the availability of family housing? If there are adverse effects arising out of the Mexican importation program, what should be done to meet the problem?

B. Extensive Use of Mexicans -- Should foreign labor be limited to specific crops? Should they be used in year-round, skilled or machine jobs? Are there other ways in which the use of foreign labor should be limited?

C. International Relations Aspects of the Program -- What is the attitude of the Mexican government toward the present importation program? What alternative importation procedures are there?

D. Continuation of Program -- Should the foreign labor program be renewed for a specified time or made permanent? Under what conditions?

This report is directed to these and related problem areas.

II. Factual Background

To obtain a fuller understanding of the problems associated with the operation of the farm labor program, the Committee developed a statement of facts through conferences with the Department of Labor staff and through field visits relating to the following topics:

A. Adverse Effect
B. Extensive Use of Mexican Nationals
C. Wages
D. Conditions of Employment
E. Recruitment and Availability of Domestic Workers
F. International Relations

Although these items are treated separately, some overlapping is unavoidable.

A. Adverse Effect

Section 503 (2) of PL 78 prohibits the Department of Labor from making Mexican workers available in any area unless it is determined that the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed.

Neither the Law nor the legislative history explain definitively what is meant by adverse effect or how Congress intended the determination of adverse effect to be made. This, therefore, has become a very controversial and difficult area of administration.

There are varying kinds of constructions that can be placed on the concept of "adverse effect."

(1) In a strict sense, the term may be interpreted as depriving American workers of jobs, lowering wages, or impairing conditions of employment that already exist in the area. Under this interpretation, the Department's obligation would be to assure no worsening of the status quo for American workers.

(2) Another possibility might be to interpret "adverse effect" as preventing wages and working conditions from reaching a point they would have reached under the play of forces in a free labor market if Mexican nationals were not employed in the area.

(3) Under a third interpretation, any interruption of normal adjustments that might be expected to take place in the labor market could be considered "adverse effect." In areas of labor shortages, adjustments in wage rates, conditions of employment, prodution methods, and other factors tend gradually toward restoring a balance of labor supply and labor demand. The use of Mexicans may be considered as providing a "cushion" to alleviate and slow down the impact of these adjustments on farm employers. However, where corrective tendencies are halted, as evidenced by declining wage rates, increased reliance on Mexican labor, displacement of American workers, reluctant recruitment efforts, failure to improve housing and working conditions, etc., "adverse effect," is present.

In carrying out other provisions of PL 78 and the International Agreement, the Department has established procedures which tend to minimize adverse effect. These include (a) preseason supply-demand analysis to determine labor shortages; (b) interstate clearance to meet shortages from available surpluses of domestic labor; (c) requiring employers of foreign labor to meet acceptable standards of housing and working conditions; (d) requiring employers of foreign workers to pay the "prevailing wage" to protect domestic wage standards while preventing exploitation of foreign workers; and (e) requiring employers using foreign workers to hire qualified United States workers who become unemployed in the area, either in addition to or in place of Mexican nationals.

In spite of these efforts, there are indications that adverse effect has occurred in some cases. The following are some examples:

(1) Employment displacement. There are indications of some employer preference for Mexicans over domestic workers because they represent an assured work force of premium adult male labor. Use of Mexicans relieves the farmer of the risk of losing his labor supply, and enables him to take maximum advantage of changing market prices and

crop grades. The unit cost of housing foreign workers is generally smaller than the cost for domestic migrants, who usually travel in family groups. In a competitive situation, other farmers seek the same advantages and strong and continuing pressures build up to utilize foreign workers. Thus in some areas, almost 100 percent of the seasonal work on certain crop activities is performed by foreign workers. Domestic workers either migrate to other areas of employment or do not seek jobs in the activity which is identified with Mexicans.

In one State wages paid for harvesting cotton have fallen gradually while the proportion of foreign workers in the crop has risen. The inference is that U.S. workers have been forced to seek alternative job opportunities.

(2) Duration of Employment. Agriculture cannot provide year-round employment for most farm wage workers because of the short duration of seasons. The average farm wage worker can only expect to work about 125 days a year at farm jobs. If foreign workers are available, seasons of agricultural employment may be further compressed by using more workers at peak. This may result in even shorter duration of employment and loss of income for American farm workers in areas where foreign workers are employed.

(3) Low Wages. Agriculture has been historically a low-wage industry. Farm employers have not generally attempted to compete with other industries for labor. In areas where foreign workers are used in large numbers their presence may prevent wage rates from rising to levels they would attain if no foreign workers were admitted. Knowledge of the availability of Mexican nationals weakens the domestic workers' bargaining position and contributes to the depression of area wage levels. Studies made by the Department of Labor show that wage rates in activities which Mexicans are employed have lagged behind the rising wage level for farm work generally. The studies also show that wages paid by employers who use foreign workers tend to average lower than those paid by non-users in the same area (see discussion of wages in C below).

B. Extensive Use of Mexican Nationals

1. Year-Round Occupations. Public Law 78 does not limit the use of Mexican nationals to seasonal occupations although the history and background of this program indicate that it generally was considered to be for the purpose of meeting emergency needs. However, approximately 20,000 Mexicans known as "specials," are now employed on a year-round basis. These are workers with specialized knowledge and experience who are specifically requested at reception centers and whose contracts are renewed every six months. Most "specials" are employed in the border States of Texas and New Mexico.

2. Skilled Occupations. PL 78 does not limit employment of Mexicans in terms of skills, and in recent years, there has been an increasing tendency to use Mexicans in semi-skilled and skilled occupations. In addition to those employed as tractor operators and ranch hands, thousands are engaged in skilled and semi-skilled jobs. Recently, the Department has been confronted with the problem of Mexican workers penetrating into field packing and sorting of vegetables as new machine methods were introduced and the work transferred from the shed to the fields. This work was formerly done by packing shed operators at higher wage rates in sheds.

The only legal authority the Department of Labor has for limiting the use of Mexican nationals in terms of skill considerations is a determination under Section 503 (1) that sufficient domestic workers who are able, willing, and qualified are available at the time and place needed to perform this work, or a determination under Section 503 (2) that the use of Mexicans adversely affects the wages and working conditions of domestic workers similarly employed. However, difficulties have arisen in attempting to apply these provisions. For example, in the case of Mexicans used in the machine packing and sortingof vegetables in the field, American packinghouse workers have been displaced. However, the displaced workers are not necessarily available to transfer to field jobs because of changes in the job content as well as a lowering of wages and the conditions of employment. Consequently, Mexicans are requested for field packing work while higher-paid domestic shed workers are laid off.

3. Nonessential Crops. Under Public Law 78 foreign workers may be used for any commodity or product which the Secretary of Agriculture deems essential. Since the inception of the Law, however, the Secretary of Agriculture has not exercised his discretion to declare any commodities nonessential, even those which are in surplus supply and heavily subsidized. More than 60 percent of all Mexicans employed at peak work in crops which are in surplus supply.

C. Wages

1. Wage Trends. Section 503 (2) of PL 78 states that the Department of Labor's responsibility under the Law shall be carried out in a manner that will not adversely affect wages. The International Agreement helps to implement this by providing that wages paid to foreign workers should correspond with those paid to domestic workers similarly employed in the area.

The prevailing wage to be paid Mexican workers is determined by conducting surveys at frequent intervals among samples of employers of domestic workers in areas where foreign workers are used. As an added check individual workers are consulted as to wages received for each activity. Under a formula adopted in 1958, the wage rate paid to 40 percent of the workers is considered the "prevailing wage" for a given activity in the area surveyed. In the small proportion of cases (less than 5 percent) where no single wage is paid to 40 percent of the workers, an alternative formula is used to find the prevailing wage. Observations are arrayed from the highest to the lowest wage paid. The prevailing wage range is found by starting with the lowest wage and proceeding upward until 51 percent of the workers in the survey are included. The highest wage paid to any worker in the 51-percent group becomes the bottom of the range. The top of the range is the highest rate paid to any worker in the survey.

The prevailing wage concept may work satisfactorily in situations where wage rates are determined by competitive forces in the labor market, and there are so few Mexican that their presence does not upset this equilibrium. Actually, however, the availability of a potential reserve of foreign labor generally influences the wage levels in the area for crops on which Mexicans are usually employed, and on other crops as well. Thus, Mexican rates are tied to domestic wage levels, which, in turn, may be more or less stabilized by the presence of Mexicans. Therefore, wage levels tend to become fixed in areas and activities where Mexicans are employed.

Studies of the BES show that wage rates in crops for which Mexicans are employed do not move upward at a rate corresponding with the general trends in farm wage rates.

Between 1953 and 1958, the hourly farm wage rate in the U.S. increased 14 percent, according to the Department of Agriculture. An examination of wage surveys made by State agencies in areas using Mexican nationals showed that the average rate paid to domestic workers in these areas either remained unchanged or decreased in three-fifths of the cases. In making this analysis each wage survey was given equal weight regardless of the relative number of workers employed. If the findings had been weighted, the indication of a leveling or downtrend of wages would be greater. For example, in cotton, in which about one-half of the Mexicans are employed, three-fourths of the cases showed rates unchanged or lowered. Between 1958 and 1959, an improvement in wage rates paid to American workers in areas using Mexican Nationals has been reported,but the magnitude of these increases is less than the overall increase in farm wage rates in the United States.

During the past decade the wage differential between agriculture and industry has been widening steadily, and it may be inferred that the use of foreign workers in agriculture is partly responsible.

If the Department of Labor's obligation under PL 78 were merely to prevent wage levels from declining below levels that existed at the time Mexican nationals were introduced in an area, the prevailing wage concept might be adequate for this purpose. However, if the Department's obligation is to (a) restore wages to levels they would have reached if no foreign workers were in the area, or (b) to attain a level at which supply and demand might balance, or (c) to keep pace with wage trends in areas in which foreign workers are not employed, present procedures do not accomplish this.

2. Dominated Areas. A special problem is posed by areas and activities within areas in which the farm work force is preponderantly Mexican national. It is generally recognized that prevailing wage determinations are meaningless in such cases. Some of the heavily dominated crops are lettuce, citrus, melons, and carrots in parts of Arizona; tomatoes, lettuce, citrus, strawberries, sugar beets, and melons in California; citrus fruit, beans, peppers, cucumbers, in parts of Texas; cotton in New Mexico; pickles and lettuce in Colorado; and sugar beets in a number of States.

The Bureau's policy in the case of dominated areas has been to associate wage rates in dominated areas with those in comparable areas which are not dominated. This procedure has sometimes proven to be impracticable because of the difficulties of finding comparable areas which are so similar as to be acceptable substitutes and in which wages have not been influenced by employment of foreign workers.

A proposal is under consideration to authorize wage setting in dominated areas. If this plan were adopted, wage rates could be based on such considerations as general wage trends, wage rates paid for comparable work in other areas, earnings for farm work of comparable skill in the same area, wage differentials between employers who use foreign workers and those who do not, wages paid by employers successful in recruiting domestic workers, etc.

While agriculture is excluded from the Fair Labor Standards Act, the Government has experience and precedent in setting wages for agricultural workers under the Sugar Act. This Act provides that fair and reasonable wages be determined after investigation, due notice, and opportunity for hearings. In administering the "fair and reasonable" standard, the Department of Agriculture takes into account cost of living; price of sugar and its by-products; income from sugar beets and cane; cost of production; and differences in growing conditions among various producing areas.

3. User-Non-User Differentials. Under present procedures, the prevailing wage rate is based on the rate paid to 40 percent of the domestic workers on survey farms regardless of whether they are employed on farms which also employ Mexicans or whether they are employed on farms which do not use braceros. However, BES studies indicate that, in the same area and for the same activities, there is a tendency for employers who use Mexicans to pay less than those who do not. These wage studies show that users paid less than non-users in nearly half of the wage surveys examined between January 1957 and May 1959; no difference was reported in one-third of the instances; and in one-fifth of the cases users paid more. This supports the conclusion that prevailing wages, as presently determined, are based on wage rates which, in themselves, are partially influenced by the presence of Mexican nationals.

4. Earnings of Mexican Workers. The Mexican Government has set a 50-cent minimum for braceros paid on an hourly basis. This standard is below existing wage levels in most areas where foreign workers are employed but above prevailing levels in the Lower Rio Grande Valley in Texas, Arkansas Delta areas, and parts of New Mexico.

Studies of earnings of Mexican workers have revealed that many paid on a piece rate basis were not realizing the equivalent of 50 cents an hour. Therefore, in 1958, the Bureau of Employment Security adopted a policy that workers of reasonable diligence must realize a minimum of 50 cents an hour or the piece rate must be adjusted to assure this.

This does not, however, set an absolute minimum wage since 10 percent of the workers, who are presumed to be less diligent than others may earn less than 50 cents an hour. Adjustment of piece rates to eliminate unsatisfactory earnings has been generally accomplished through negotiation with growers.

In addition, the Bureau adopted a policy to compare the average hourly earnings of Mexican piece-rate workers with time rates for similar work. If the average earnings of a group of workers appear to be lower than the prevailing hourly rate, the Bureau informs employers and consults with them in the appraisal of wage-rate actions or adjustments. Negotiated adjustments in piece rates have resulted under this arrangement.

D. Conditions of Employment

One of the reasons that shortages of labor cannot always be filled by American workers is that conditions of employment are less satisfactory than those offered foreign workers. Contract guarantees give Mexican workers a number of advantages; the principal ones are provided by the International Agreement listed below.

1. Transportation. Transportation from migration centers in the interior of Mexico to the border, as well as subsistence enroute, is paid from a revolving fund to which employers contribute. Employers also arrange for transportation of braceros from the border to the work site. When the employer provides a bus or truck to pick up the worker at reception centers, the vehicle must meet rigid standards. Return transportation from work area to the worker's home in Mexico is also the employer's responsibility.

   Domestic migratory workers generally pay their own transportation to and from work areas. Employers frequently advance partial transportation costs, reimbursing themselves through payroll deductions. In some instances, employers will offer return transportation to workers who remain until the end of the season. Domestic migrants are usually transported by crew leaders whose trucks are subject to ICC regulations if State lines are crossed. Many now travel in their own cars or by public transportation.

2. Work Guarantee. The Mexican-worker contract guarantees the worker the opportunity to work on at least three-fourths of the work days in the contract period, which is usually for a minimum of 6 weeks. If the employer does not provide the guaranteed number of days of employment, the worker is paid the amount he would have earned had he worked. Under the contract, workers who are offered employment for less than 64 hours in any two-week period, are entitled to subsistence, consisting of 3 meals per day or cash equivalent, for each 8 hours less than 64. Domestic workers generally have no contract, work guarantee, or subsistence allowance.

3. Housing. Foreign workers are provided free housing which must meet minimum standards of sanitation, space, cleanliness, etc., prescribed by the Bureau of Employment Security. Blankets and bedding must be provided, as well as cooking facilities separate from sleeping quarters in camps which do not have central feeding facilities.

   Housing for domestic workers varies greatly as to type and quality. Typically, migrants carry their own bedding and cooking facilities. They are housed in small cabins or in rooms in partitioned barracks, either on the employer's farms or in public camps. Many seek out rooms in small towns in rural areas. Migratory worker housing is subject to standards and inspection in States with farm labor camp, codes. About half the States, including Arizona, California, and New Mexico, which employ large numbers of foreign workers, have laws or regulations that apply to farm labor camps, ranging from very limited to comprehensive regulations. Even in States with codes, inspection is limited or virtually impossible because of inadequate staff. Texas and Michigan are outstanding examples of States with high employment of domestic migrants and foreign workers without States codes, although local health ordinances may apply. To some extent the foreign-worker program has helped to improve standards of housing for domestic workers. Employers of Mexicans who also employ domestic workers often provide equivalent housing conditions for both.

4. Wage Guarantee. Mexican-worker contracts specify a minimum wage based on the prevailing wage in the area of employment ascertained by the local employment office. If the prevailing wage is found, on the basis of surveys, to be higher than the contract minimum, the worker must be paid the higher wage. If paid on a piece-rate, the contract guarantees the worker at least $2.00 a day for the first 48 hours of employment while he is learning.

   Domestic agricultural workers are not protected by a contract minimum. The wage and hour provisions of the Fair Labor Standards Act do not cover agriculture. None of the State minimum-wage laws, except in Alaska, Hawaii, and Puerto Rico, apply to all agricultural workers.

5. Insurance. Employers of Mexican workers are required to provide insurance or establish sufficient financial responsibility to cover major occupational risks. They are obligated to pay all expenses for hospital, medical and surgical attention and other similar services necessitated by occupational injury or disease. They must also pay for the workers' subsistence during days the workers are unable to work because of illness or injury. Employers of Mexican nationals also carry non-occupational insurance for their workers, the cost of which is paid by deductions from wages.

   Domestic workers are not protected by occupational insurance except to the extent that they are covered by workmen's compensation laws. Only Ohio and California have compulsory coverage of farm workers. In certain other States (including Arizona), farm workers engaged in mechanized occupations are covered.

6. Performance Guarantee. The United States Government guarantees the performance by employers of the provisions of the Mexican's work contract relating to wages and transportation. The worker may also contact the Mexican consul with respect to contract provisions, and they may elect their own representatives as spokesmen in dealing with employers.

   Unemployed domestic workers may contact the local employment office for preference in employment in cases where Mexican workers are employed. They have no protection regarding wages or working conditions except in 3 States which have wage collection laws which apply to agriculture. The California and Massachusetts laws apply specifically to farm workers; Minnesota's, to "transient" labor. Generally, domestic workers are not organized in unions. A crew leader may act as spokesman for workers or as intermediary between workers and employers.

E. Recruitment and Availability of Domestic Workers

1. Recruitment Efforts. Section 503 (3) provides that reasonable efforts must be made to attract domestic workers at wages and standards of work comparable to those offered to foreign workers as a condition for recruiting foreign labor.

Bureau of Employment Security procedures require employers seeking foreign workers to file orders which are treated as requests for domestic workers. They are circulated in interstate clearance, but generally are not filled, presumably because workers are needed in supply States at the same time. The number of foreign workers authorized and the prevailing wage must be posted in public places. If during the contract period, qualified domestic workers become available for jobs held by Mexican workers, the employment office has the responsibility to refer them to employers using foreign workers, and the employer is obligated to employ them.

It is the Bureau's policy to require employers of foreign labor to participate in efforts to obtain domestic workers. There is evidence, however, that many users of foreign workers do not make as great an effort as those who rely on domestic workers. Employers successful in recruiting domestic workers offer competitive wages, housing suitable for family groups, participate in dayhaul, youth programs and other local recruitment efforts. Many of them send agents to supply States to participate with the employment service in positive recruitment efforts. They try to make preseason arrangements with crew leaders through the Annual Worker Plan.

On the other hand, some employers of foreign labor make only token efforts to cooperate in obtaining domestic workers. For example, in one of the major agricultural areas, more than 80 percent of the workers engaged in harvesting tomatoes--generally a popular crop for domestic workers--are foreign, while in the same area only about 6 percent of the workers in other crops are foreign. Evidently, employers in the tomato crop are substantially withdrawn from the domestic labor market. In many instances, housing is built only for single males which deters use of domestic workers who are in family

groups. Artificial shortages may exist in these areas because of unsuitable housing facilities.

Studies of the Department of Labor have shown that wage rates paid to domestic workers by farmers who use Mexicans are generally lower than those paid by non-users for comparable work in the same area. This indicates that employers of foreign labor frequently do not make the same effort as other employers in competing for domestic farm workers.

2. Wage Payment to Domestic Workers. In carrying out the provisions of Section 503 (3) of Public Law 78, the Bureau of Employment Security requires users of Mexican workers to offer the same wages to domestic as to foreign workers. However, domestic workers who are employed at a lower wage prior to the time Mexican workers are recruited do not necessarily receive an increase when higher paid Mexicans arrive on the job. Reports from some areas show American workers being paid $.35 and $.40 per hour for chopping cotton on the same farms where Mexicans receive the contract minimum of $.50 an hour.

F. International Relations

Would the non-renewal of the Mexican farm labor program have an adverse effect on relations between the United States and Mexico? It is difficult to answer this question with certainty. On one hand, it can be assumed that Mexico strongly favors the program because of the economic benefits it derives. On the other hand, there are some aspects of the program over which Mexico has some reservations.

All things considered, it is probably accurate to conclude--on the basis of private as well as public information--that the government of Mexico, notwithstanding these reservations, would regret and possibly resent the termination of the program in 1961. This could have an adverse effect on relations between Mexico and the United States.

Another international consideration is the possibility of a large scale recurrence of "wetbacks" if PL 78 is not renewed. Such a development would be unfortunate for our own domestic workers, for the wetbacks themselves, and for the two governments involved. Still another possibility, if PL 78 were to be terminated, would be the recruitment of Mexicans under PL 414, the "Immigration and Nationality Act" but under procedures and conditions less desirable than PL 78.

However, these considerations should not constitute a conclusive argument in favor of extending PL 78. The Congress of the United States should assess the Mexican farm labor program on its own merits and in terms of its impact on the agricultural economy and the labor force of the U.S.

III. Recommendations

A. Continuation of Program

The Mexican farm labor program, administered under the terms of PL 78, has always been thought of as an emergency program designed to meet a temporary need for supplementary agricultural labor. Although the Law was amended several times, its basic purpose was never changed. It is still intended to relieve temporary shortages of unskilled labor.

Do the original arguments in favor of the "Bracero" program still apply? In the judgment of the Committee, it is impossible to give a definitive and unqualified answer to this question. On the one hand, it can be argued that all of the labor needs of American agriculture are not, and in the foreseeable future will not be available from domestic sources. On the other hand, it can be contended that the shortage of domestic agricultural labor does not constitute a real emergency, except in certain crops and areas and that, even in these specific cases, the shortage is not unavoidable. More specifically, there is reason to believe that the real or presumed shortage of domestic agricultural labor could in large measure eventually be eliminated if more satisfactory wages and conditions of work were offered to domestic farm workers and if the farm labor market operated on a more rational basis.

Furthermore, the renewal of PL 78 without changes in 1961 would almost certainly tend to postpone the adoption of necessary reforms and would tend to increase rather than diminish the shortage of domestic farm labor.

The arguments for and against the renewal of PL 78 are not entirely conclusive. As a practical judgment, however, the Committee has concluded that on balance, the case in favor of renewing PL 78 on a temporary basis is more conclusive than the arguments against its renewal.

However, the Committee doubts whether it is possible to prevent adverse effect on our citizen agricultural work force by such use of imported workers until and unless the Law provides the necessary enforceable authority to prevent adverse effect. Part II of this report shows clearly the continuing problems in administering the Law as presently written. In order to provide effective tools by which the Secretary of Labor may continue to authorize the orderly importation of Mexican nationals only where necessary and justified, the Committee has incorporated in this part of the report, its recommendations for changes in PL 78. The Committee's support of a temporary renewal of PL 78 is conditioned on its being substantially amended so as to prevent adverse effect, ensure utilization of the domestic work force and limit use of Mexicans to unskilled seasonal jobs.

To overcome the shortcomings of PL 78, several basic principles need to be established and incorporated into the legislation. This may be done in a preamble, or by means of amendments to specific sections of the Law. These principles are included in the recommendations in items "B" through "F" listed below.

B. Limitations on Use of Mexican Nationals

(1) The legislation should clearly confine the use of Mexicans to necessary crops in temporary labor shortage situations and to unskilled, non-machine jobs. To accomplish this, the Committee recommends that the Law be amended to: (a) prohibit employment of Mexicans in specific occupations involving year-round employment such as ranch hands, general farm hands, and other types of non-seasonal employment; (b) prohibit employment of Mexicans in machine operations such as sorting and packing machines, tractors, irrigation equipment, etc.; and (c) delete present provision authorizing the Secretary of Agriculture to designate "necessary" crops on which Mexicans can be used, unless this provision can be clarified and implemented. To avoid undue hardship to growers who have been employing Mexicans in categories (a) and (b), provision might be made for a gradual termination of such employment over a one-year period.

C. Recruitment and Availability of Domestic Labor

(1) The Law should authorize the Secretary of Labor to take such action as may be necessary to insure active competition for the available supply of domestic agricultural workers. The objective of the Secretary should be to reduce reliance on Mexican labor. Some ways in which this could be done include (a) limit the ratio of Mexicans to domestic workers on individual farms, (b) and limit the number of Mexicans in any particular crop-area to a specific proportion based upon previous years' experience.

(2) Sections 503(1) and 503(3) of PL 78, both of which relate to the availability of domestic labor, should be combined. The test of availability of domestic labor, which must be made before the use of foreign workers may be authorized, should be clarified and strengthened. The Law should clearly stipulate that the primary responsibility for the recruitment of domestic workers rests with the employer himself. The Law should direct the Secretary of Labor not to certify as to the unavailability of domestic labor unless: (a) employers have undertaken positive and direct recruitment efforts in addition to the efforts of the public employment offices. Such efforts should be made sufficiently in advance of the need. They might include, but not be restricted to, publicizing needs, participation in dayhauls, providing adequate housing and transportation. (b) Employment conditions offered are equivalent to those provided by other employers in the area who successfully recruit and retain domestic workers; (c) domestic workers are provided benefits which are equivalent to those given Mexican nationals, i.e., transportation, housing, insurance, subsistence, employment guarantees, etc.; (d) employers of Mexican nationals offer and pay domestic workers in their employment, no less than the wage rate paid to Mexican labor.

D. Adverse Effect Criteria

The test of adverse effect on wages and employment, which if threatened, precludes authorization of Mexican workers, should be more specific. The Secretary should be directed to establish specific criteria for judging adverse effect including but not limited to: (a) failure of wages and earnings in activities and areas using Mexicans to advance with wage increases generally; (b) the relationship between Mexican employment trends and wage trends in areas using Mexican workers; (c) differences in wage and earning levels of workers on farms using Mexican labor compared with non-users.

E. Wages

The Secretary should be authorized to establish wages for Mexicans at no less than the prevailing domestic farm rate in the area or in the closest similar area for like work; and no less than a rate necessary to avoid adverse effect on domestic wage rates.

F. General Rule

While there is inherent authority to issue implementing regulations, Public Law 78 should be amended to include specifically a provision authorizing the Secretary to promulgate such rules and regulations as he deems necessary to effectuate the requirements of the law.

G. Administrative Procedures

Although many of the problems in connection with the Mexican Farm Labor Program can be resolved only by changes in PL 78, there is much that can be done through administrative procedures. It is believed that additional progress could be made if adequate staff resources were available so that the Secretary could make the fullest use of the authority he does have to evaluate carefully all requests for foreign labor. Emphasis should also be given to developing procedures and regulations which will avoid, to the greatest extent possible, adverse effect in their employment.

It is recognized that many facets of the Mexican importation program have been decentralized and that other parts of the program are administered through the affiliated State agencies and their local offices. While this undoubtedly results in economies, there is also a serious danger that local pressures and considerations may distort the original intent of the program. It is therefore suggested that sufficient controls and checks be developed to offset this possibility.

For more effective administration of the compliance aspects of the importation program, consideration should be given to the possibility of punitive action against violators which would be less severe than complete withdrawal of Mexicans. Failure to provide less severe penalties often results in no punitive action at all.

It is recommended that a tripartite advisory committee be established to advise the Secretary on the Mexican farm labor program. The committee should consist of representatives of management and labor in equal numbers and of public members.

In recommending changes in Pl 78, and in the administration of the Law, the Committee is mindful that these proposed changes will not, of themselves, solve the long standing and complicated manpower problems of American agriculture and may not substantially improve the wages and working conditions of domestic farm labor. These recommendations should therefore be considered minimal in nature.

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Msgr. George G. Higgins

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Dr. Rufus B. von KleinSmid

Executive Secretary
William Mirengoff

Farm wage rates, January 1, 1959 1/

State and region	Per month		Per week		Per day			Per hour		Composite rate per hour	Indexes of composite rates 1910-14=100 2/
	With house	With board and room	With board and room	Without board or room	With house	With board and room	Without board or room	With house	Without board or room		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Maine	195.00	143.00	36.00	51.50	-	-	8.80	-	1.04	.937	553
N. H.	200.00	146.00	40.00	55.50	-	-	9.20	-	1.11	1.003	647
Vt.	186.00	145.00	37.00	49.00	-	-	8.80	-	1.10	.925	615
Mass.	209.00	152.00	44.00	57.50	-	-	10.10	-	1.22	1.065	682
R. I.	215.00	156.00	44.00	59.00	-	-	10.10	-	1.20	1.079	727
Conn.	214.00	160.00	44.00	58.50	-	-	10.40	-	1.25	1.086	734
New Eng.	202.00	150.00	40.25	54.50	-	-	9.50	-	1.15	1.004	643
N. Y.	200.00	142.00	38.00	52.25	-	-	8.80	-	1.11	.893	550
N. J.	213.00	152.00	38.50	53.50	-	-	9.10	-	1.13	.925	654
Pa.	176.00	126.00	33.75	45.50	-	-	7.90	-	1.03	.799	644
Mid. Atl.	194.00	138.00	36.75	50.25	-	-	8.60	-	1.09	.868	601
Ohio	168.00	125.00	-	-	-	6.50	8.20	-	1.07	.780	597
Ind.	162.00	120.00	-	-	-	6.10	7.60	-	1.04	.745	599
Ill.	188.00	144.00	-	-	-	7.20	8.80	-	1.08	.861	632
Mich.	200.00	134.00	-	-	-	7.00	9.00	-	1.07	.854	602
Wis.	185.00	136.00	-	-	-	6.50	8.60	-	1.07	.830	562
E.N.Cent.	183.00	134.00	-	-	-	6.80	8.50	-	1.07	.823	605
Minn.	174.00	131.00	-	-	-	6.90	9.00	-	1.07	.845	540
Iowa	184.00	148.00	-	-	-	7.70	9.50	-	1.10	.906	547
Mo.	148.00	110.00	-	-	-	5.50	7.00	-	.95	.716	633
N.Dak.	159.00	125.00	-	-	-	5.90	7.50	-	1.00	.776	480
S.Dak.	174.00	134.00	-	-	-	6.20	8.00	-	1.01	.815	499
Nebr.	194.00	147.00	-	-	-	6.90	8.30	-	1.04	.880	575
Kans.	184.00	141.00	-	-	-	7.00	8.80	-	1.06	.867	694
W.N.Cent.	172.00	132.00	-	-	-	6.60	8.30	-	1.03	.822	567
Del.	-	-	-	-	6.80	-	8.80	.91	.98	1.002	835
Md.	-	-	-	-	6.20	-	7.80	.91	.98	.958	880
Va.	-	-	-	-	5.00	-	6.30	.61	.78	.715	735
W.Va.	-	-	-	-	4.90	-	5.60	.64	.73	.689	511
N. C.	-	-	-	-	4.65	-	5.50	.57	.69	.637	684
S. C.	-	-	-	-	3.40	-	3.95	.44	.51	.466	583
Ga.	-	-	-	-	3.90	-	4.55	.54	.63	.550	579
Fla.	-	-	-	-	5.80	-	6.00	.65	.80	.723	671
So. Atl.	-	-	-	-	4.90	-	5.60	.61	.73	.664	684
Ky.	-	-	-	-	4.10	-	5.20	.59	.75	.636	561
Tenn.	-	-	-	-	3.65	-	4.45	.48	.59	.538	494
Ala.	-	-	-	-	3.75	-	4.40	.50	.60	.539	533
Miss.	-	-	-	-	3.65	-	4.05	.47	.54	.500	485
E.S.Cent.	-	-	-	-	3.75	-	4.50	.51	.61	.549	515
Ark.	-	-	-	-	4.85	-	5.40	.59	.68	.652	569
La.	-	-	-	-	4.45	-	4.80	.53	.64	.589	574
Okla.	-	-	-	-	6.30	-	7.20	.78	.91	.863	628
Tex.	-	-	-	-	5.70	-	6.40	.67	.79	.765	585
W.S.Cent.	-	-	-	-	5.40	-	6.00	.64	.75	.723	593
Mont.	203.00	158.00	-	-	-	-	8.30	-	1.08	.905	460
Idaho	228.00	181.00	-	-	-	-	9.90	-	1.12	1.010	563
Wyo.	207.00	148.00	-	-	-	-	8.30	-	1.11	.893	473
Colo.	206.00	149.00	-	-	-	-	8.60	-	1.03	.882	577
N.Mex.	172.00	125.00	-	-	-	-	6.70	-	.84	.726	580
Ariz.	245.00	180.00	-	-	-	-	8.50	-	.91	.957	603
Utah	216.00	186.00	-	-	-	-	9.10	-	1.15	1.005	593
Nev.	230.00	160.00	-	-	-	-	8.90	-	1.20	.971	504
Mountain	222.00	164.00	-	-	-	-	8.20	-	.94	.904	542
Wash.	255.00	198.00	-	-	-	-	-	1.18	1.25	1.236	515
Oreg.	238.00	180.00	-	-	-	-	-	1.12	1.18	1.160	571
Calif.	271.00	204.00	-	-	-	-	-	1.08	1.17	1.191	536
Pacific	269.00	203.00	-	-	-	-	-	1.09	1.17	1.192	549
U. S.	185.00	147.00	34.00	45.00	5.20	6.00	6.40	.78	1.03	.865	610

1/ Certain wage rates are not published where they are relatively unimportant, but are estimated for use in computing U.S. averages. 2/ Adjusted for seasonal variation.

Farm wage rates, January 1, 1960 1/

State and Region	Per month		Per week		Per day			Per hour		Composite rate per hour	Indexes of composite rates 1910-14=100 2/
	With house	With board and room	With board and room	Without board or room	With house	With board and room	Without board or room	With house	Without board or room		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Maine	198.00	140.00	38.00	53.00	-	-	8.80	-	1.06	.961	568
N. H.	206.00	150.00	40.00	58.00	-	-	9.20	-	1.13	1.034	667
Vt.	190.00	154.00	38.00	52.00	-	-	8.80	-	1.08	.957	630
Mass.	220.00	158.00	43.00	60.00	-	-	10.00	-	1.25	1.095	702
R.I.	223.00	160.00	44.00	62.00	-	-	10.00	-	1.22	1.113	750
Conn.	221.00	160.00	44.00	61.00	-	-	10.40	-	1.32	1.122	759
New Eng.	207.00	152.00	40.50	56.50	-	-	9.40	-	1.16	1.029	660
N. Y.	206.00	146.00	37.25	52.50	-	-	8.90	-	1.11	.902	564
N. J.	214.00	148.00	37.00	53.00	-	-	9.10	-	1.16	.924	653
Pa.	188.00	134.00	34.75	46.75	-	-	8.20	-	1.05	.830	669
Mid.Atl.	201.00	143.00	36.50	50.75	-	-	8.70	-	1.10	.883	611
Ohio	168.00	122.00	-	-	-	6.20	8.10	-	1.06	.767	587
Ind.	175.00	131.00	-	-	-	6.20	8.00	-	1.04	.792	630
Ill.	196.00	149.00	-	-	-	7.30	9.00	-	1.10	.886	650
Mich.	200.00	133.00	-	-	-	7.00	8.80	-	1.07	.854	596
Wisc.	196.00	140.00	-	-	-	6.80	8.60	-	1.07	.851	572
E.N.Cent.	190.00	136.00	-	-	-	6.80	8.60	-	1.07	.837	609
Minn.	182.00	141.00	-	-	-	7.40	9.20	-	1.10	.885	565
Iowa	197.00	154.00	-	-	-	8.00	9.80	-	1.12	.938	566
Mo.	154.00	117.00	-	-	-	5.90	7.30	-	.97	.746	659
N.Dak.	166.00	127.00	-	-	-	5.80	7.60	-	1.00	.785	480
S.Dak.	176.00	136.00	-	-	-	6.50	8.20	-	1.02	.828	507
Nebr.	201.00	152.00	-	-	-	7.60	9.50	-	1.06	.914	597
Kans.	193.00	144.00	-	-	-	7.00	8.90	-	1.08	.886	709
W.N.Cent.	181.00	138.00	-	-	-	6.90	8.70	-	1.05	.854	589
Del.	-	-	-	-	6.80	-	8.80	.92	1.02	1.013	845
Md.	-	-	-	-	6.40	-	8.20	.92	.99	.982	902
Va.	-	-	-	-	5.20	-	6.30	.63	.79	.726	747
W. Va.	-	-	-	-	4.80	-	5.60	.64	.73	.687	509
N. C.	-	-	-	-	4.85	-	5.70	.59	.70	.657	706
S. C.	-	-	-	-	3.55	-	4.10	.44	.52	.479	599
Ga.	-	-	-	-	4.00	-	4.70	.54	.65	.567	596
Fla.	-	-	-	-	5.70	-	6.40	.69	.84	.760	705
So.Atl.	-	-	-	-	4.95	-	5.80	.63	.75	.683	704
Ky.	-	-	-	-	4.20	-	5.20	.59	.75	.639	564
Tenn.	-	-	-	-	3.80	-	4.65	.50	.64	.567	521
Ala.	-	-	-	-	3.90	-	4.45	.50	.61	.549	538
Miss.	-	-	-	-	3.70	-	4.20	.47	.55	.514	498
E.S.Cent.	-	-	-	-	3.85	-	4.60	.51	.63	.563	527
Ark.	-	-	-	-	5.10	-	5.60	.60	.69	.676	591
La.	-	-	-	-	4.55	-	5.10	.54	.66	.617	607
Okla.	-	-	-	-	6.20	-	7.40	.79	.94	.879	645
Tex.	-	-	-	-	5.90	-	6.70	.70	.82	.800	612
W.S.Cent.	-	-	-	-	5.60	-	6.30	.66	.78	.753	622
Mont.	210.00	161.00	-	-	-	-	8.70	-	1.10	.952	474
Idaho	235.00	186.00	-	-	-	-	9.90	-	1.15	1.039	579
Wyo.	220.00	158.00	-	-	-	-	9.20	-	1.13	.950	503
Colo.	215.00	158.00	-	-	-	-	9.00	-	1.06	.926	606
N.Mex.	184.00	129.00	-	-	-	-	6.90	-	.86	.755	603
Ariz.	257.00	180.00	-	-	-	-	8.70	-	.95	.984	614
Utah	235.00	210.00	-	-	-	-	9.50	-	1.20	1.095	645
Nev.	240.00	165.00	-	-	-	-	9.30	-	1.30	1.024	537
Mountain	235.00	169.00	-	-	-	-	8.50	-	.98	.942	568
Wash.	264.00	198.00	-	-	-	-	-	1.18	1.27	1.254	618
Oreg.	230.00	175.00	-	-	-	-	-	1.11	1.18	1.148	565
Calif.	283.00	210.00	-	-	-	-	-	1.13	1.20	1.225	550
Pacific	280.00	208.00	-	-	-	-	-	1.13	1.20	1.224	563
U. S.	194.00	152.00	34.50	46.25	5.40	6.30	6.60	.81	1.05	.896	632

1/ Certain wage ratesare not published where they are relatively unimportant, but are estimated for use in computing U.S. averages. 2/ Adjusted for seasonal variation.

Average farm wage rates, 1958 1/

State and region	Per month		Per week		Per day		Per hour		Composite rate per hour	Indexes of composite rates 1910-14=100
	With house	With board and room	With board and room	Without board or room	With house	Without board and room	With house	Without board or room		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Maine	194.00	144.00	36.25	51.75	-	-	-	1.03	.906	546
N. H.	197.00	144.00	39.25	54.50	-	-	-	1.08	.949	624
Vt.	182.00	145.00	36.25	49.00	-	-	-	1.10	.906	596
Mass.	208.00	154.00	45.00	58.00	-	-	-	1.21	1.035	676
R. I.	215.00	158.00	45.75	59.75	-	-	-	1.19	1.044	725
Conn.	216.00	158.00	45.50	59.50	-	-	-	1.27	1.072	739
New Eng.	199.00	149.00	40.00	54.00	-	-	-	1.12	.964	630
N. Y.	198.00	139.00	36.75	50.75	-	-	-	1.11	.881	547
N. J.	215.00	155.00	40.00	52.75	-	-	-	1.14	.928	663
Pa.	175.00	126.00	33.25	44.75	-	-	-	1.02	.799	644
Mid. Atl.	192.00	137.00	36.00	49.00	-	-	-	1.09	.859	601
Ohio	167.00	125.00	-	-	-	6.50	8.00	-	1.06	.794	602
Ind.	165.00	120.00	-	-	-	6.00	7.60	-	1.03	.769	606
Ill.	187.00	145.00	-	-	-	7.20	8.80	-	1.08	.843	624
Mich.	195.00	130.00	-	-	-	6.70	8.50	-	1.06	.822	591
Wis.	184.00	137.00	-	-	-	6.60	8.50	-	1.06	.821	562
E.N.Cent.	180.00	132.00	-	-	-	6.60	8.30	-	1.05	.810	596
Minn.	176.00	139.00	-	-	-	7.50	9.40	-	1.10	.881	558
Iowa	184.00	149.00	-	-	-	7.90	9.60	-	1.09	.898	548
Mo.	144.00	108.00	-	-	-	5.50	7.00	-	.94	.713	637
N.Dak.	182.00	152.00	-	-	-	7.00	8.90	-	1.04	.850	489
S.Dak.	174.00	140.00	-	-	-	6.80	8.50	-	1.03	.823	499
Nebr.	192.00	145.00	-	-	-	7.20	9.10	-	1.04	.859	573
Kans.	182.00	140.00	-	-	-	7.50	9.30	-	1.08	.876	701
W.N.Cent.	173.00	135.00	-	-	-	7.00	8.70	-	1.04	.835	576
Del.	-	-	-	-	6.70	-	8.70	.91	.97	.896	822
Md.	-	-	-	-	6.10	-	7.60	.89	.98	.848	857
Va.	-	-	-	-	5.00	-	6.10	.64	.77	.656	729
W.Va.	-	-	-	-	4.55	-	5.60	.66	.73	.615	488
N.C.	-	-	-	-	4.65	-	5.60	.58	.65	.582	669
S.C.	-	-	-	-	3.35	-	3.90	.43	.48	.420	568
Ga.	-	-	-	-	3.90	-	4.50	.54	.61	.506	575
Fla.	-	-	-	-	5.60	-	6.10	.64	.77	.658	671
So. Atl.	-	-	-	-	4.65	-	5.30	.60	.68	.583	655
Ky.	-	-	-	-	4.10	-	5.10	.60	.76	.591	558
Tenn.	-	-	-	-	3.60	-	4.40	.48	.60	.497	502
Ala.	-	-	-	-	3.70	-	4.30	.50	.57	.494	543
Miss.	-	-	-	-	3.60	-	4.00	.47	.56	.475	511
E.S.Cent.	-	-	-	-	3.75	-	4.40	.51	.60	.507	523
Ark.	-	-	-	-	4.80	-	5.30	.58	.66	.599	560
La.	-	-	-	-	4.40	-	4.80	.54	.62	.554	583
Okla.	-	-	-	-	6.50	-	7.70	.82	.91	.836	638
Tex.	-	-	-	-	5.70	-	6.50	.68	.77	.714	590
W.S.Cent.	-	-	-	-	5.40	-	6.10	.65	.74	.676	598
Mont.	210.00	169.00	-	-	-	-	8.90	-	1.10	.879	480
Idaho	236.00	186.00	-	-	-	-	10.00	-	1.14	.960	561
Wyo.	211.00	155.00	-	-	-	-	8.80	-	1.10	.868	464
Colo.	204.00	155.00	-	-	-	-	8.80	-	1.01	.843	573
N.Mex.	174.00	128.00	-	-	-	-	6.60	-	.80	.673	579
Ariz.	242.00	174.00	-	-	-	-	8.30	-	.90	.858	584
Utah	219.00	192.00	-	-	-	-	9.10	-	1.13	.934	595
Nev.	237.00	166.00	-	-	-	-	9.10	-	1.17	.934	519
Mountain	218.00	164.00	-	-	-	-	8.50	-	.99	.847	536
Wash.	253.00	202.00	-	-	-	-	-	1.17	1.26	1.221	601
Oreg.	233.00	181.00	-	-	-	-	-	1.10	1.17	1.128	561
Calif.	269.00	205.00	-	-	-	-	-	1.07	1.15	1.133	529
Pacific	264.00	202.00	-	-	-	-	-	1.09	1.17	1.145	543
U.S.	176.00	137.00	33.75	42.50	4.80	6.10	6.00	.82	.92	.757	582

1/ Weighted average of five quarters.

Average farm wage rates, 1959 1/

State and region	Per month		Per week		Per day			Per hour		Composite rate per hour	Indexes of composite rates 1910-14=100
	With house	With board and room	With board and room	Without board or room	With house	With board and room	Without board or room	With house	Without board or room		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
Maine	194.00	140.00	38.25	52.50	-	-	9.20	-	1.08	.934	563
N.H.	201.00	146.00	40.00	56.25	-	-	9.10	-	1.11	.964	634
Vt.	186.00	148.00	37.50	50.75	-	-	8.80	-	1.09	.915	602
Mass.	214.00	156.00	44.25	59.00	-	-	10.10	-	1.21	1.041	680
R.I.	219.00	161.00	45.50	60.75	-	-	10.20	-	1.20	1.061	737
Conn.	218.00	162.00	45.75	60.50	-	-	10.50	-	1.27	1.083	747
New Eng.	207.00	150.00	40.75	55.50	-	-	9.50	-	1.14	.982	642
N.Y.	203.00	142.00	37.50	52.00	-	-	8.90	-	1.12	.892	554
N.J.	212.00	151.00	38.50	52.75	-	-	9.30	-	1.15	.922	659
Pa.	182.00	129.00	34.00	46.00	-	-	8.10	-	1.04	.816	658
Mid. Atl.	197.00	139.00	36.50	50.25	-	-	8.70	-	1.09	.872	610
Ohio	171.00	124.00	-	-	-	6.50	8.40	-	1.07	.799	605
Ind.	172.00	127.00	-	-	-	6.30	7.90	-	1.05	.791	623
Ill.	193.00	150.00	-	-	-	7.50	9.20	-	1.10	.859	636
Mich.	199.00	135.00	-	-	-	7.00	8.80	-	1.07	.842	606
Wis.	190.00	141.00	-	-	-	6.90	8.70	-	1.08	.840	575
E.N.Cent.	187.00	137.00	-	-	-	6.90	8.70	-	1.08	.830	610
Minn.	185.00	144.00	-	-	-	7.70	9.70	-	1.11	.898	568
Iowa	194.00	156.00	-	-	-	8.20	10.00	-	1.14	.938	572
Mo.	153.00	115.00	-	-	-	5.90	7.30	-	.98	.739	660
N.Dak.	186.00	155.00	-	-	-	7.10	9.00	-	1.05	.864	497
S.Dak.	179.00	145.00	-	-	-	7.00	8.80	-	1.04	.840	509
Nebr.	203.00	155.00	-	-	-	7.60	9.70	-	1.07	.895	597
Kans.	190.00	144.00	-	-	-	7.60	9.40	-	1.09	.892	714
W.N.Cent.	182.00	142.00	-	-	-	7.30	9.10	-	1.08	.864	596
Del.	-	-	-	-	6.80	-	8.80	.93	1.04	.924	848
Md.	-	-	-	-	6.30	-	7.80	.92	1.01	.873	882
Va.	-	-	-	-	5.20	-	6.20	.66	.79	.674	749
W.Va.	-	-	-	-	4.85	-	5.60	.65	.75	.627	498
N.C.	-	-	-	-	4.80	-	5.80	.59	.70	.610	701
S.C.	-	-	-	-	3.50	-	4.05	.44	.50	.434	586
Ga.	-	-	-	-	4.00	-	4.60	.54	.63	.518	589
Fla.	-	-	-	-	5.60	-	6.10	.64	.78	.659	672
So. Atl.	-	-	-	-	4.75	-	5.50	.61	.70	.597	671
Ky.	-	-	-	-	4.20	-	5.30	.59	.80	.618	583
Tenn.	-	-	-	-	3.75	-	4.60	.49	.63	.528	533
Ala.	-	-	-	-	3.80	-	4.35	.50	.60	.508	558
Miss.	-	-	-	-	3.60	-	4.05	.47	.55	.471	506
E.S.Cent.	-	-	-	-	3.85	-	4.55	.51	.63	.525	541
Ark.	-	-	-	-	5.00	-	5.50	.60	.71	.637	595
La.	-	-	-	-	4.50	-	5.00	.54	.64	.570	600
Okla.	-	-	-	-	6.70	-	7.90	.82	.94	.857	654
Tex.	-	-	-	-	5.90	-	6.70	.69	.80	.740	612
W.S.Cent.	-	-	-	-	5.50	-	6.20	.65	.76	.696	616
Mont.	221.00	174.00	-	-	-	-	9.10	-	1.13	.902	472
Idaho	244.00	188.00	-	-	-	-	9.90	-	1.15	.965	564
Wyo.	219.00	158.00	-	-	-	-	9.20	-	1.12	.890	476
Colo.	217.00	157.00	-	-	-	-	9.00	-	1.06	.869	591
N.Mex.	176.00	130.00	-	-	-	-	6.90	-	.81	.694	593
Ariz.	249.00	180.00	-	-	-	-	8.60	-	.96	.892	607
Utah	232.00	197.00	-	-	-	-	9.20	-	1.15	.963	607
Nev.	245.00	184.00	-	-	-	-	9.20	-	1.30	.980	544
Mountain	227.00	169.00	-	-	-	-	8.70	-	1.01	.872	552
Wash.	263.00	207.00	-	-	-	-	-	1.20	1.27	1.226	604
Oreg.	239.00	181.00	-	-	-	-	-	1.13	1.18	1.137	566
Calif.	281.00	210.00	-	-	-	-	-	1.11	1.18	1.165	544
Pacific	276.00	208.00	-	-	-	-	-	1.13	1.19	1.170	555
U. S.	186.00	144.00	34.75	44.50	5.10	6.30	6.40	.85	.95	.798	614

1/ Weighted average of five quarters.

CALIFORNIA CATTLEMEN'S ASSOCIATION
681 Market Street - 659 Monadnock Building
San Francisco 5, California

Statement Before The

California Senate Fact Finding Committee On Labor and Welfare

on the

Competitive Position of the California Beef Cattle Industry With Beef Cattle Production in Other States and Other Countries of the World

at the

Hacienda Motel

Fresno, California

January 26 and 27, 1960

TABLE OF CONTENTS

	Page
Introduction	1
Beef cattle production basic industry	1
Beef cattle industry in California	1
Growth of the beef cattle industry in California	1
California leading western state in cattle feeding	2
Cash receipts from California cattle marketings	2
California leading slaughtering state in nation	3
Livestock and livestock products most important segment of U. S. Agriculture	4
U. S. beef cattle production doubled since 1920's	4
Beef production shifting to the scuth	5
California good market for western cattle	6
California cattle shipments to other states light	7
Farmers share of food dollar shrinks to 39 cents	7
Beef cattle selling below parity	7
Beef cattle are not subsidized	7
Beef competes with many other foods	8
Cattle and beef prices set by supply and demand	8
U. S. farm prices of livestock and poultry 1944 - 1958	8
U. S. production of broilers compared with red meats	9
Thousands of tons of domestic red meat comes to California	11
Freight rate structure, westbound, penalizes cattle	11
Wages in meat packing industry reach an all-time high	13
Pacific coast states pay highest farm wages	15
California livestock workers receive above average wage	15
California pays more taxes than any other state	16

TABLE OF CONTENTS, Continued

Page

World cattle numbers climbing.....16

Cattle numbers in South America show most gain.....17

Cattle numbers in Africa show second highest gain.....17

Imports of cattle and calves into the United States.....18

Imports of beef products into the United States.....19

Beef and veal production in the United States.....19

Beef and veal imports may reach 12 percent of U. S. production.....20

Farm wages in foreign livestock countries low.....22

Beef and veal imports slows marketing U. S. cows.....23

U. S. tariff rates on cattle and beef.....23

Future outlook for beef and veal imports.....24

Tariff relief under escape clause.....24

Sheep producers ask Tariff Commission to investigate lamb imports.....24

U. S. cattle, beef and veal exports.....25

Conclusion.....26

Chairman Cobey and members of the Committee. My name is Gordon Van Vleck. I am First Vice President of the California Cattlemen's Association. I am a cattle producer in Sacramento County. The California Cattlemen's Association is a non-profit organization set up for the purpose of promulgating sound and correct principles of breeding, raising, feeding and marketing cattle. Our Association has 2863 members comprised of beef cattle producers and beef cattle feeders.

The composition of our membership is significant in that more than one-half of the total membership has 100 head of cattle or less. We appreciate the opportunity to participate in presenting the economic position of the beef cattle industry to the Senate Fact Finding Committee on Labor for use in its study of the State's agricultural labor picture.

BEEF CATTLE PRODUCTION BASIC INDUSTRY

Beef cattle are produced in every State in the nation. Cattle harvest the grass and other forage of the prairies and foothills. Breeding herds and stocker cattle and calves are maintained on these range feeds. Yearlings and older steers and heifers leave the range and go into the feedlots to be finished for market on grain and other livestock feeds and by-products.

Drought is the greatest enemy of the nations breeding herd. The cost of maintaining the breeding herd on grain and other feedstuffs becomes prohibitive within a relative short time. The rancher then is forced to send a part of his breeding stock to slaughter, or if available, to grass long distances from home.

Cattle, like many agricultural products are perishable. A rancher cannot store his animals like steel products and other hard goods. Steers and heifers must go to market and particularly the feedlot animals at a certain weight to meet the requirements of chain and super market buyers.

BEEF CATTLE INDUSTRY IN CALIFORNIA

California produces beef under more varied conditions than any state or country in the world. Producers along the Oregon border and down the Nevada border raise cattle in short growing seasons and sub-zero winter weather. They are produced in a moderate all-year climate along the Pacific and below sea level in the hot climate of Imperial County and the Mojave desert.

The rolling foothills east and west of the rich Sacramento and San Joaquin Valleys and the floors of both valleys produce a large share of our beef cattle.

The cattle industry in the state during the past decade has encountered a greater threat than drought and varied growing conditions. Competition from other producers of agricultural products and in particular from the demands of our growing population is driving the cattle rancher farther back into the brushlands of the State and even into our bordering states.

GROWTH OF THE BEEF CATTLE INDUSTRY IN CALIFORNIA

Cattle and calves on farms in California on January 1, 1959 reached a record high of 3,978,000 head compared with 3,738,000 a year earlier. Of this total, 1,582,000 head are dairy cattle and 2,396,000 are beef cattle. Cattle in feedlots represented 504,000 head of the beef cattle inventory.

The development of irrigated pastures and the rapid expansion of cattle feeding has been, in the most part, responsible for the growth of the cattle industry during the post war years.

Cattle and Calves on Farms January 1, 1950 - 1959
in California

YEAR	ALL DAIRY CATTLE	ALL BEEF CATTLE
1950	1,350,000	1,359,000
1951	1,354,000	1,599,000
1952	1,426,000	1,822,000
1953	1,473,000	1,937,000
1954	1,515,000	1,997,000
1955	1,514,000	2,349,000
1956	1,517,000	2,346,000
1957	1,531,000	2,339,000
1958	1,555,000	2,183,000
1959	1,582,000	2,396,000

Beef cattle production began to expand rapidly in 1951 and by 1959 represented 60 percent of all the cattle in the industry. During this period, the beef breeding herd increased from 874,000 head in 1951 to 1,155,000 in 1959. Steers 1 year and older increased from 372,000 head to 739,000 by 1959.

CALIFORNIA LEADING WESTERN STATE IN CATTLE FEEDING

California is the leading western state in cattle feeding. Producers of beef cattle sell their feeder animals to a commercial feedlot operator or have them custom fed at a commercial feedlot. There is little feeding of cattle at the ranch.

Feedlot cattle were at a record high on January 1, 1959, at 504,000 head. Marketings of fed cattle from California feedlots during 1958 were estimated at 1,358,000 head, the largest animal outmovement of record.

CASH RECEIPTS FROM CALIFORNIA CATTLE MARKETINGS

Cattle and calves lead the state in cash receipts from farm marketings of livestock and poultry. Cash income from the sale of livestock and livestock products in 1958 accounted for 38.2 percent of the States total cash farm income followed by field crops with 24.7 percent, fruit and nut crops with 20.2 percent, and vegetables and melons with 13.4 percent.

The following chart shows the cash receipts from farm marketings of livestock and poultry in California from 1953 through 1958.

Cash Receipts From Farm Marketings of Livestock and Poultry in California, 1953 - 1958

COMMODITY	1953	1954	1955	1956	1957	1958
			(Thousand Dollars)			
All Livestock and Poultry	$973,780	905,520	948,259	991,309	1,009,934	1,088,708
Cattle and Calves	$257,826	274,914	298,858	326,567	336,352	405,487

Cash receipts for milk and cream, second to cattle and calves with $348,153,000 in 1958 and chicken eggs ranked third with $154,628,000. Commercial broilers and fryers dropped from $49,663,000 in 1952 to $33,152,000 in 1958.

California's cash farm income from all crops, including livestock, in 1958 reached a record total of $2,852,792,000, an increase of 14.4 percent over the 1947-56 average. California still maintains its first place position among the states in the nation's farm economy, producing over 8 percent of the national total cash farm income.

Estimated cash receipts represent the gross amount received by farmers for farm products sold during a calendar year.

CALIFORNIA LEADING SLAUGHTERING STATE IN NATION

California leads all other states in the nation in the slaughter of cattle and lambs. The meat packing industry in California has some of the most modernized plants in the world and many of them are located at centers of livestock production.

California Cattle and Calf Slaughter 1950 - 1958

YEAR	CATTLE	CALVES
	(Thousand Head)	(Thousand Head)
1950	1,482	463
1951	1,657	369
1952	1,819	424
1953	2,237	620
1954	2,299	680
1955	2,439	735
1956	2,586	768
1957	2,421	740
1958	2,115	552

Cattle slaughter began to climb in 1951 and calves began to move up in 1952 and reached an all-time high in 1956.

LIVESTOCK AND LIVESTOCK PRODUCTS MOST IMPORTANT SEGMENT OF U. S. AGRICULTURE

Livestock and livestock products, in many ways, constitute the most important segment of agriculture. Meat animals are produced on a large proportion of farms. Income from meat animals alone in the U. S. accounts for around 30 percent of the total farm income, more than the combined income from all six basic crops.

U. S. meat production in 1957, for example, was comprised of around 58 percent beef and veal, 39 percent pork and 2.6 percent lamb and mutton. Around one-fourth of our beef and veal supply comes from the dairy enterprise.

U. S. BEEF CATTLE PRODUCTION DOUBLED SINCE 1920'S

Output of the U. S. cattle industry, as measured by live weight production of cattle and calves, has almost doubled since the 1920's. The big expansion has enabled U. S. consumers to increase their consumption of beef per person from 57 pounds in those years to over 80 pounds during the last few years.

Half the increase in production is attributed to a 43 percent growth in cattle numbers, which equaled the population growth. The other source of larger production is marked improvement in productivity. Live weight production per head of cattle on farms is up 44 percent.

U. S. Beef Cattle Numbers January 1st, 1950 - 1959

YEAR	ALL CATTLE AND CALVES	BEEF CATTLE
	(In Thousand Head)	
1950	77,963	42,508
1951	82,083	46,685
1952	88,072	52,837
1953	92,241	58,320
1954	95,679	59,518
1955	96,592	61,231
1956	96,804	62,067
1957	94,502	60,232
1958	93,350	59,937
1959	96,851	64,025

The U. S. Department of Agriculture reports that cattle numbers have increased around 5 million head during 1959 to bring cattle numbers to an all-time high of 102 million head by January 1, 1960. This increase far exceeds the rate of growth in the U. S. population. If cattle herds continue upward at this fast pace, the numbers peak would be 115 million by 1962. An output of this size would unquestionably result in a demorilized market for cattle.

Beef cattle production in the United States followed the same general upward trend subsequent to the war as in California. The numbers of cows and heifers kept primarily for beef production on January 1, 1959 was the highest of record.

Leading States By Rank In Beef Cattle Production 1958 - 1959

1959 RANK	1959	1958
Texas	7,402,000	6,559,000
Iowa	4,988,000	4,726,000
Nebraska	4,364,000	3,991,000
Kansas	3,800,000	3,274,000
Missouri	2,897,000	2,628,000
So. Dakota	2,893,000	2,712,000
Illinois	2,790,000	2,732,000
Oklahoma	2,712,000	2,344,000
California	2,396,000	2,263,000
Montana	2,126,000	2,100,000
Colorado	1,923,000	1,739,000
Minnesota	1,672,000	1,470,000
Florida	1,620,000	1,555,000
Mississippi	1,588,000	1,658,000
No. Dakota	1,338,000	1,310,000
Louisiana	1,329,000	1,373,000
Indiana	1,318,000	1,345,000
Alabama	1,197,000	1,197,000
Oregon	1,140,000	1,063,000

Texas has enjoyed the distinction of being the leading cattle producing state for the past century. California began its climb in beef cattle production in 1951 to rank 9th in the nation.

Texas has traditionally been a range producing state with very little finishing of cattle for market. Texas in the past has been a deficit grain producing country and shipped thousands of stocker and feeder cattle to a score of states. Around 331,000 head of such cattle came to California in 1958. Texas has now become the leading state in grain sorghum production and is rapidly increasing its production of small grains for use in livestock feeding.

Many Texas ranchers are beginning to set up feeding operations, and cattle feeding is increasing in every section of the state. With an increase in the production of livestock feedstuffs such as grain sorghum, and the integration in beef cattle production and feeding, we can expect an increasing total beef production from Texas which will compete with California.

BEEF PRODUCTION SHIFTING TO THE SOUTH

The South already the scene of several economic revolutions, is now well on its way to another shifting of its economy to beef production.

In the South, a fast-shrinking acreage of cotton, tobacco, cowpeas and several other crops has freed land for new uses. Aside from an increase in woodland, the shift has been mainly to hay and pasture - crops well suited to cattle production and soil improvement. Statistics reveal a fantastic story of increase in beef cattle numbers in the South.

Beef cattle numbers, excluding Oklahoma and Texas, have increased 100 percent during the past 10 years. North and South Carolina have shown increases of 222 and 263 percent respectively. From a numbers standpoint, Mississippi topped them all with a gain of 951,000 head to rank 14th in the nation.

The South, excluding Texas and Oklahoma, now has 18 percent of the beef cattle numbers, compared with 21 percent for the "cattle states" of the west, and 44 percent for the middle west where much of the feeding is done.

CALIFORNIA GOOD MARKET FOR WESTERN CATTLE

Shipments of cattle and calves to California from other states during 1958 totaled 1,575,000 head. Stockers and feeders accounted for nearly two-thirds of the total and only one-third went for immediate slaughter. The states of Arizona, Texas, Oregon, Idaho, and Nevada, supplied three-fourths of the domestic cattle imports. Most of the cattle coming from Texas, Oregon, and Nevada were stockers and feeders. Trucks carried 52 percent of the total cattle shipments in 1958.

Cattle and Calves Shipped Into California 1950 - 1958

STATE	1950	1951	1952	1953	1954	1955	1956	1957	1958
For Stockers and Feeders:					(Thousand Head)				
Arizona	120	156	115	112	134	138	180	123	176
Colorado	18	41	35	36	31	20	21	16	15
Idaho	58	56	43	44	43	49	53	52	48
Kansas	27	42	28	11	30	15	15	4	20
Montana	117	96	72	80	101	70	107	56	38
Nevada	118	106	96	112	130	113	100	128	111
New Mexico	62	89	65	68	62	50	118	46	49
Oregon	133	106	96	110	113	137	130	110	123
Texas	157	256	186	135	220	211	294	199	308
Utah	62	42	39	37	51	35	50	47	38
Misc.	81	85	85	76	179	85	108	97	117
Total	953	1,075	860	821	1,094	923	1,176	878	1,043
For Immediate Slaughter:									
Arizona	106	117	194	249	235	251	297	295	256
Colorado	39	48	46	62	61	19	30	36	29
Idaho	74	54	63	92	96	84	117	88	88
Montana	39	25	25	51	59	59	66	43	20
Nevada	21	19	21	30	30	34	24	26	25
Oregon	22	22	13	33	27	28	34	22	19
Texas	50	50	48	57	93	61	67	42	24
Utah	57	42	56	85	79	70	83	62	51
Misc.	28	31	34	80	117	61	71	44	20
Total	436	408	500	739	797	667	789	658	532

The most significant thing in the movement of stocker and feeder cattle to California is the increase from Texas from 157,000 head in 1950 to 308,000 in 1958.

The sharp increase of cattle for immediate slaughter from Arizona reflects the expansion of its feedlot operations.

CALIFORNIA CATTLE SHIPMENTS TO OTHER STATES LIGHT

Shipments of cattle and calves out of California are light as compared with the number entering the state. The number of cattle crossing the border to other states depends upon our range feed conditions and pastures in our bordering states and outside demand in the spring and early summer for light feeders and feeder calves.

California's growing season starts in the winter in most of the southern two-thirds of the state and cattle are ready for market in the spring and early summer. These cattle coming off the grass go to local feedlots and irrigated pastures and to bordering states for pasture. Some producers ship their cows and calves to pasture in bordering states and sell the calves before returning the cows to the home ranch.

The early grazing season in the state generally ends in late May and around 40 percent of the outshipments of cattle and calves occur during that month. A drouth such as the one in 1948, changes the time of the outmovement and the number leaving the state. Feedlot facilities are now sufficient to take care of a larger percentage of our cattle and calves, in an emergency, with the exception of the breeding herd.

California shipped 82,500 head of cattle and calves out of the state in 1958. This was 13 percent less cattle than a year earlier and 15 percent fewer than the 10-year-average. The heaviest outshipment occurred during the drouth in 1948 when 170,500 head were forced to leave the state which included some of our finest breeding herds.

FARMER'S SHARE OF FOOD DOLLAR SHRINKS TO 39 CENTS

The farmer's share of the consumer's food dollar was 39 percent in April, 1959, the same as in February and March, and the lowest since 1939. The most farmers have received in over 40 years was 53 cents in 1945. Farmers' net income during the first half of 1959 was $1 billion, or 8 percent below that for the first 6 months of 1958. Cash receipts from marketings were only slightly lower, the drop in average prices being largely offset by higher volume of sales. Production cost continued to climb and were 3 percent higher.

BEEF CATTLE SELLING BELOW PARITY

Beef cattle and calves are presently selling below parity. The average price as a percent of effective parity on November 15, 1959 was 87 on beef cattle and 94 on calves.

Parity is the ratio between the price a stockman receives for his cattle and the cost of commodities to produce the animals.

BEEF CATTLE ARE NOT SUBSIDIZED

Beef cattle producers have continually battled against price supports and other controls for cattle and beef. Because of this fight against controls, beef cattle have never been under a federal price support program or any other form of control.

Principal livestock feeds on the other hand are under price supports. Corn for example in California had a price support of $1.26 per bushel in 1959 in all counties. Barley had a price support of $2.15 per CWT and grain sorghum $2.22 per CWT at the terminal markets.

BEEF COMPETES WITH MANY OTHER FOODS

Beef and veal is competing with other red meat and poultry. The growth of the poultry industry subsequent to the war has been fantastic. Consumption of poultry and turkey during the past decade has been, to a large degree, at the expense of all red meats.

Production of Commercial Broilers 1954 - 1958

STATE	1954	1955	1956	1957	1958
			(Thousand Pounds)		
Georgia	463,413	515,162	690,618	835,200	934,781
No. Carolina	169,218	218,808	291,670	329,691	444,180
Alabama	143,217	179,068	255,666	332,400	421,248
Arkansas	219,870	215,471	277,959	319,554	399,993
Delaware	216,442	216,442	282,708	318,026	329,875
Texas	208,191	231,092	300,348	302,478	344,565
Maryland	180,938	180,938	221,209	252,570	293,111
Mississippi	112,862	104,961	153,280	206,451	264,814
Maine	110,437	120,377	156,488	191,611	214,605
Virginia	183,929	171,055	201,293	191,103	196,834
California	160,573	150,400	172,910	139,168	157,869

Seven of the ten leading states engaged in the production of commercial broilers are in the southern states and have captured the bulk of the nation's market.

Shipments of poultry from these low-cost producing states in the South into California have all but bankrupt our poultry producing industry in the State. In 1957 Arkansas paid an average hourly wage of $1.14 to its poultry slaughtering employees, Georgia $1.04, Texas $1.00 and California $1.67.

CATTLE AND BEEF PRICES SET BY SUPPLY AND DEMAND

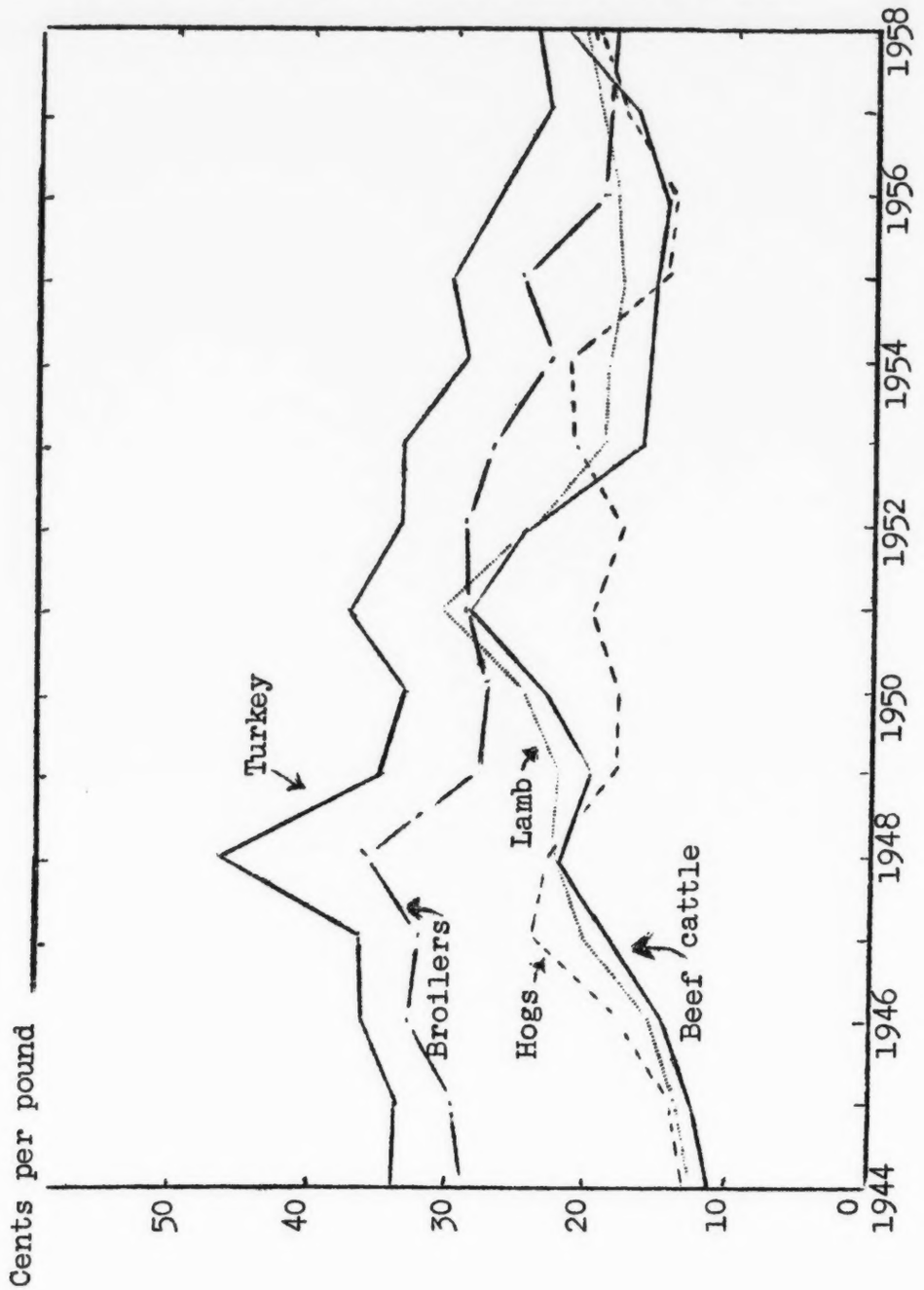
Cattle and beef prices are established by supply and demand. Supply and demand means too, the availability and consumer preference of competitive foods such as lamb, pork and poultry.

Stocker and feeder cattle are sold at auction yards, terminal markets and at the ranch. Fat cattle are sold through the same marketing facilities as well as at commercial feedlots. Beef is sold by the meat packer to wholesalers, jobbers and retailers.

U. S. FARM PRICES OF LIVESTOCK AND POULTRY 1944 - 1958

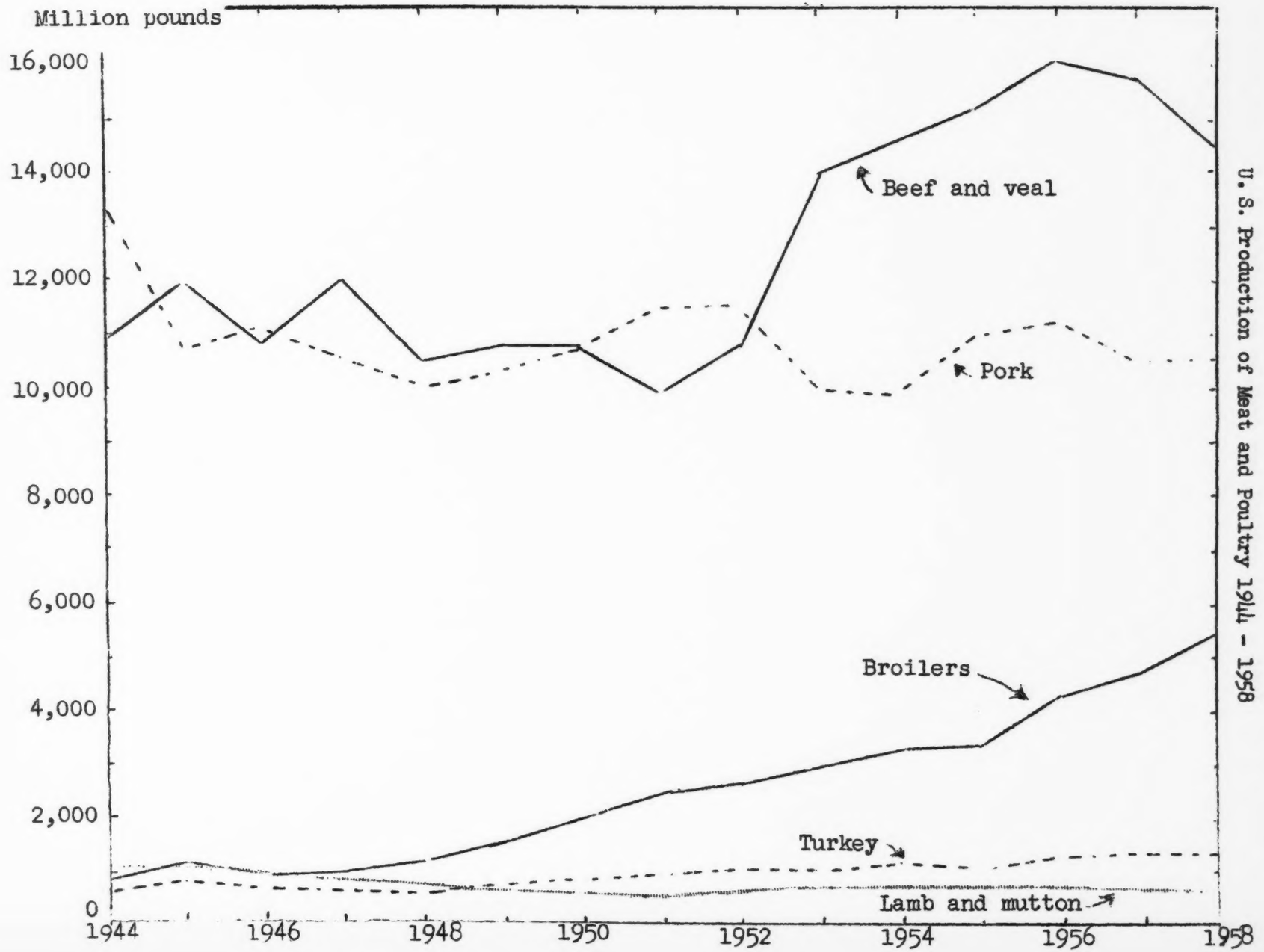
The U. S. Department of Agriculture, in cooperation with our State Department of Agriculture reports each week the supply, price, demand and other marketing information on all classes of livestock and meat. The following chart shows the farm prices of livestock and poultry.

U. S. Prices of Livestock and Poultry 1944 - 1958



U. S. PRODUCTION OF BROILERS COMPARED WITH RED MEATS

The following chart shows the growth in the production of broilers compared with red meats - beef and veal, pork, lamb and mutton. The growth of the broiler industry since 1948 has been amazing and has become competitive with the red meats. Beef and veal hit its production peak in 1956, however, this production peak did not slow down the production of broilers and turkeys.



U. S. Production of Meat and Poultry 1944 - 1958

THOUSANDS OF TONS OF DOMESTIC RED MEAT COMES TO CALIFORNIA

Thousands of tons of beef and other red meat products are coming into California by rail and by modern refrigerated trucks from low cost producing areas in the midwest and south. These refrigerated trucks on our expanding super highways can haul meat and other farm products from the midwest and south in the matter of a couple of days.

The California State Department of Agriculture made a check at the border stations and found that around 7,200 refrigerated trucks hauling red meat only came into California during the last Quarter of 1958. Perhaps as many as 30,000 of these big refrigerated trucks are coming into California annually.

The 1959 State Legislature passed a bill which was signed by the Governor directing the Department of Agriculture to ascertain the tonnage of beef coming into California from other States.

FREIGHT RATE STRUCTURE, WESTBOUND, PENALIZES CATTLE

In the history of the litigation involving rates on fresh meats and livestock, the Interstate Commerce Commission has generally prescribed rates on fresh meats which were approximately 150 percent of the rates on livestock, for the purpose of permitting free movement of both fresh meat and livestock.

The Commission in the George A. Hormel & Co. Case in 1945 prescribed westbound rates on fresh meats from the Midwest to Pacific Coast destinations which averaged 150 percent of the livestock rates to become effective in November 1945. The Commission had originally prescribed the livestock rates which became effective January 25, 1932.

The discussion to follow on freight rates, the term "livestock" means fat cattle in single-deck cars, and fat hogs in double deck cars.

The table that follows shows the rates on fresh meats and livestock from Denver and Omaha as representative origin points to Los Angeles and San Francisco as representative destinations as of November 1945.

Fresh Meat and Livestock Rates As Of November 1945

FROM	FRESH MEAT	LIVESTOCK	RATIO, RATES ON FRESH MEAT TO LIVESTOCK
	Cents	Cents	Percent
Denver to Los Angeles	139	83	167.5
Omaha to Los Angeles	156	103	151.5
Denver to San Francisco	145	90	161.1
Omaha to San Francisco	156	107	145.8

It can be observed from the above table that the rates on fresh meats from Omaha were 151.5 and 145.8 percent of the rates on livestock to Los Angeles and San Francisco.

On August 15, 1957, against the strong opposition of western beef producers, feeders and meat packers, the Trans-Continental Railroads decided to reduce rates on westbound fresh meat without concurrent commensurate reduction in westbound rates on livestock. The rails implied in their proposal that it had become necessary to reduce the westbound rates on fresh meats in order to maintain their competitive position with the modern refrigerated trucks hauling meat products westbound over high speed highways.

The next table shows the rates on fresh meats and livestock from Denver and Omaha to Los Angeles and San Francisco as of August 14, 1957, the day before the rates on fresh meats were reduced and the ratios of rates on fresh meats to those on livestock

Fresh Meat and Livestock Rates As Of August 14, 1957

FROM	FRESH MEAT	LIVESTOCK	RATIO, RATES ON FRESH MEAT TO LIVESTOCK
	Cents	Cents	Percent
Denver to Los Angeles	283	161	175.8
Omaha to Los Angeles	318	202	157.5
Denver to San Francisco	298	178	167.5
Omaha to San Francisco	318	210	151.5

It will be noted from the above table that the rates on fresh meats were generally in excess of 150 percent of the rates on livestock following the numerous general increases in rates subsequent to the time they were originally prescribed by the Commission.

The next table shows the reduced rates on fresh meats which became effective August 15, 1957, from Denver and Omaha to Los Angeles and San Francisco, compared with the rates on livestock.

Fresh Meat and Livestock Rates As Of August 15, 1957

FROM	FRESH MEAT	LIVESTOCK	RATIO, RATES ON FRESH MEAT TO LIVESTOCK
	Cents	Cents	Percent
Denver to Los Angeles	182	161	113.1
Omaha to Los Angeles	261	202	129.3
Denver to San Francisco	182	178	102.3
Omaha to San Francisco	261	210	124.3

The above table shows that the reduced rates on fresh meats were placed on a level close to the rate level on livestock. For example, the 182-cent rate from Denver to San Francisco on fresh meats was only four cents higher than the 178-cent rate on livestock.

These reduced rates which became effective August 15, 1957, were placed under investigation by the Commission. Before that proceeding was concluded the rail carriers decided to make further reductions in their westbound rates on fresh meats, without making commensurate reduction in the westbound rates on livestock, and were published to become effective November 15, 1958.

At the request of western producers, feeders and meat packers, these rates were suspended and placed under investigation by the Commission. Before the proceeding was terminated on this proposal, the suspension period expired and the reduced rates on fresh meats became effective June 15, 1959.

The table that follows shows the reduced rates on meats which became effective June 15, 1959, from Denver and Omaha to Los Angeles and San Francisco contrasted with rates westbound on cattle in single decks and and hogs in double-deck cars.

Fresh Meat, Cattle, and Hog Rates As Of June 15, 1959

FROM	FRESH MEAT	CATTLE S. D.	HOGS (1) D. D.	RATIO, RATES ON FRESH MEATS TO: CATTLE	HOGS
	Cents	Cents	Cents	Percent	Percent
Denver to Los Angeles	183	166	148	110.3	123.7
Omaha to Los Angeles	219	208	185	105.3	118.4
Denver to San Francisco	183	183	163	100.0	112.3
Omaha to San Francisco	219	216	193	101.4	113.5

(1) Prior to October 20, 1958 rates on hogs, in double-deck cars, were on same level as on cattle, in single-deck cars.

We can see from the above table that the reduced rates on fresh meats from Denver to San Francisco placed the rates on fresh meats exactly the same as the rates on cattle. With the westbound rates on fresh meats at or near the rate level on cattle, it is immediately apparent to the layman that livestock cannot move freely westbound in competition with fresh meats.

The stage is set to attract a larger percentage of the cattle away from the far western states to the lower-cost producing states east of the Rockies for feeding and processing the animals and shipping the fresh meat by rail and refrigerated trucks to California and other western markets. This inability to move cattle westbound in competition with fresh meat will eventually have an adverse effect on cattle producers, feeders, meat packers, pay rolls, and the general economic health of our state.

WAGES IN MEAT PACKING INDUSTRY REACH AN ALL-TIME HIGH

Wages in the meat packing industry have been increasing at a faster rate than the productivity of the workers. Packinghouse workers are now unionized in every section of the country, and plants with national and regional distribution have practically the same wage scale.

There are many highly skilled and semi-skilled workers in the meat packing industry. It is believed that the hourly wage for common labor will give an accurate trend of wages in the industry.

The following table shows the union hourly wage of male unskilled (common labor) by a representative meat packing establishment in representative U. S. cities throughout the nation. The present rates run through August 31, 1960 for plants which were in operation September 1, 1959, and include cost-of-living adjustments called for under the contract.

Hourly Wage Paid Common Labor In Meat Packing Establishments In Representative Cities For The Years 1948 and 1959

SECTION OF COUNTRY	YEAR 1948	YEAR 1959	INCREASE OVER 1948
	(Dollars)	(Dollars)	(Dollars)
Southern Cities:			
Atlanta, Ga.	1.065	2.165	1.10
Montgomery, Ala.	1.015	2.115	1.10
Lake Charles, La.	1.015	2.165	1.15
Jackson, Miss.	-	2.015	-
Fort Worth, Tex.	1.105	2.23	1.125
San Antonio, Tex.	1.065	2.105	1.04
Nashville, Tenn.	1.065	2.165	1.10
Eastern Cities:			
New York, N.Y.	1.15	2.165	1.015
Cleveland, Ohio	1.15	2.165	1.015
Midwestern Cities:			
Chicago, Ill.	1.15	2.165	1.015
Milwaukee, Wis.	1.15	2.165	1.015
St. Paul, Minn.	1.15	2.165	1.015
Des Moines, Iowa	1.15	2.165	1.015
St. Louis, Mo.	1.15	2.23	1.08
Kansas City, Kan.	1.15	2.23	1.08
Omaha, Nebr.	1.15	2.165	1.015
Mountain Cities:			
Denver, Colo.	1.15	2.165	1.015
Western Cities:			
No. Portland, Ore.	1.20	2.215	1.015
So. San Francisco, Calif.	1.126	2.305	1.045
Los Angeles, Calif.	1.25	2.265	1.015

Wages paid in most southern cities were the lowest in the nation in 1948 and the highest in California. The highest wage increase from 1948 to 1959 was in the South which brought them up to those paid in some of the midwestern states. The rise in wages for the 11-year period in the Pacific Coast states kept pace with the midwest, and stayed far ahead of most of the southern states.

The hourly wage paid to common labor in meat packing plants in the Southern States ranged from $2.015 in Jackson, Mississippi to $2.23 in Fort Worth, Texas. The hourly wage in the Pacific Coast States ranged from $2.215 in No. Portland, Oregon to $2.305 in So. San Francisco, California.

The independent meat packing establishments in the San Francisco Bay Area paid $1.47 for its common labor in 1948 and $2.295 in 1959. The Seattle-Tacoma independent packers paid its common labor $1.23 in 1948 and $2.325 per hour in 1959.

PACIFIC COAST STATES PAY HIGHEST FARM WAGES

California, Washington and Oregon have the highest farm wages and the East South Central States the lowest. California led the nation in 1957 in the total farm production expenses of almost $2 billion. Farm production expenses includes all expenses such as hired laborers, seed, equipment and machinery. Farm expenses for hired labor in California also led the nation with a total of almost $411 million in 1957.

Wages Paid To Farm Workers In Selected States In 1957

STATE	Annual Average Hourly Wage Rate	STATE	Annual Average Hourly Wage Rate
Washington	1.209	So. Dakota	0.816
Oregon	1.116	Oklahoma	0.795
California	1.115	Missouri	0.704
Idaho	0.941	Texas	0.691
Utah	0.917	New Mexico	0.659
Nevada	0.916	Florida	0.642
Iowa	0.883	Arkansas	0.587
Montana	0.871	Kentucky	0.573
Wyoming	0.862	Louisiana	0.561
Kansas	0.855	Georgia	0.497
No. Dakota	0.853	Tennessee	0.483
Nebraska	0.840	Alabama	0.479
Colorado	0.836	Mississippi	0.468
Arizona	0.826	So. Carolina	0.424

We have shown the farm wage scale for those states in competition with California in cattle and fresh beef. The bordering states pay substantially higher wages than the south and in most cases higher than the farm wages in the midwest. Farm wages in the growing beef economy in the south are in many cases one-half of those paid in California.

CALIFORNIA LIVESTOCK WORKERS RECEIVE ABOVE AVERAGE WAGE

Farm workers on cattle ranches are not considered large in comparison to the number employed on ranches producing row crops and fruit. There are a large number of livestock farms that have less than 100 to 200 head of cattle and the work is done by members of the family. There are occasions, however, when these smaller operators will hire a hand to help in some seasonal job such as harvesting hay.

Cattle producers and feeders are not considered employers of migrant or seasonal workers such as those engaged in fruit production. Wages and the number of workers needed vary from ranch to ranch and region to region. Some cattle ranches are diversifying their operations and developing irrigated pastures and grain fields which requires more experience in handling equipment.

A spot check shows that the average wage paid to farm workers on livestock ranches in California is substantially above the state's average hourly wage of $1.12 for all farm workers.

Compensation for permanent employees on a livestock ranch ranges from $200 to $235 per month, plus board, room, utilities and other fringe benefits. Compensation for those furnished a house but board themselves, ranges from $250 to $300 per month.

Wages for part-time workers for a week or a month who live in the community and carry their own lunch, start at $1.50 per hour. If such a part-time employee is semi-skilled and can irrigate or operate a piece of equipment the wage is $1.75 per hour or more.

CALIFORNIA PAYS MORE TAXES THAN ANY OTHER STATE

California paid more state and local taxes in fiscal year 1957 than did residents of any other state in the country, according to a new Federal report released by the U. S. Bureau of the Census.

State and local taxes play a prominent role in cost of producing beef cattle or any other agricultural product.

The report shows that California taxes figure out to $238 a year for every man, woman and child in the State. By contrast, the latest available data shows Arkansas with the lowest per capita tax load of $100 per year.

States with the lowest per capita taxes, after Arkansas, were Alabama, $101; South Carolina, $104; Kentucky, $107; Mississippi $108; and West Virginia, $112.

Massachusetts had the highest per capita property tax of $122, followed closely by California with a per capita property tax of $112. California showing increases in property taxes will probably move to first place in 1960. Alabama had the lowest per capita property tax at $20.

WORLD CATTLE NUMBERS CLIMBING

World cattle numbers in 1958 totaled 992 million head, an increase of 1 percent above last year and 8 percent above the 1951-55 average. World cattle numbers are expected to exceed 1 billion head by January 1, 1960.

Conditions in recent years have been favorable for cattle production throughout large areas of the world. In addition, economic recovery and increased demand in the important importing areas of western Europe have strengthened the market for red meat.

Cattle production has increased in many tropical and semi-tropical countries whose governments have taken action to encourage livestock enterprises, and, through the consequent increase in protein foods and monetary income, raise the physical and economic well being of their people.

World Cattle Numbers 1956 - 1959

CONTINENT	1950-51 AVERAGE	1956	1957	1958	1959
			(Thousand Head)		
No. America	129,740	137,700	137,900	137,280	141,350
So. America	138,970	151,360	151,470	152,270	154,510
Europe	102,450	105,200	105,130	105,490	107,430
Africa	103,195	111,600	114,200	115,605	116,165
Asia (1)	360,680	375,793	310,465	311,500	312,290
Oceania (2)	20,829	22,057	23,066	22,775	22,325
Total	914,865	964,525	969,695	977,685	991,935

(1) Figures not available for China in 1957, 1958, 1959. Total number in 1956 around 67 million head. (2) Not a continent.

CATTLE NUMBERS IN SOUTH AMERICA SHOW MOST GAIN

Cattle production in South America is expanding, but much of the increase in recent years has occurred in newly developed areas of such countries as Brazil, Bolivia, and Colombia.

Brazil has the largest number of cattle in South America, but productivity per animal unit is low. Although cattle numbers are rising faster than the population, transportation difficulties and the lack of adequate cold storage facilities have actually brought about a drop in per capita meat consumption.

CATTLE NUMBERS IN AFRICA SHOW SECOND HIGHEST GAIN

Cattle numbers in Africa have risen more rapidly than in other areas in the world except South America. Cattle numbers in Africa have climbed from the 1950-51 average of 103 million head to 116 million head in 1959.

Improved husbandry and marketing practices have made the livestock enterprise in Africa more profitable in recent years. Africa is not yet an important exporter of beef, and most of its greatly increased production has been absorbed at home. However, many African Countries are developing a meat packing industry, which may further encourage cattle production and beef exports.

Argentina, the chief exporter of beef in the past ranks second to Brazil in cattle numbers with about 44 million head.

IMPORTS OF CATTLE AND CALVES INTO UNITED STATES

Suppose we now review the imports of live cattle and calves into the United States from Canada, Mexico, and all countries for the past several years.

Live Cattle and Calves From Canada, Mexico and All Countries 1947 - 1959

PERIOD	CANADA (1)	MEXICO (2)	ALL COUNTRIES
	Head	Head	Head
Average 1937-41	244,425	374,473	619,705
1947	82,890	(3) 1,430	84,505
1948	461,679	---	461,679
1949	433,458	---	433,458
1950	460,895	---	460,969
1951	238,887	---	238,959
1952	12,784	127,279	140,461
1953	69,910	127,927	198,226
1954	85,939	---	86,056
1955	66,603	247,751	314,377
1956	49,028	110,256	159,359
1957	392,916	343,355	727,853
1958	665,535	482,650	1,152,407
1959 (first 9 months)	241,431	284,213	---

(1) Effective February 25, 1952, the United States placed an embargo on the imports of live cattle from Canada due to an outbreak of foot-and-mouth disease. This embargo was removed March 1, 1953.

(2) On December 27, 1946, an embargo was placed on imports of Mexican cattle due to an outbreak of foot-and-mouth disease. The embargo was removed September 1, 1952. Effective May 23, 1953 the United States imposed an embargo following another outbreak. This embargo was lifted January 1, 1955.

(3) Imports actually entered the United States in December 1946 after the customs office closed its books.

Practically all the cattle and calves coming into the United States are from Canada and Mexico. Canadian imports increased in late 1957 to reach the highest level since 1950 and exceeded prewar averages. Mexican imports in 1957 surpassed 1955 imports, which were the recent high. However, it was less than the rate just after the war.

IMPORTS OF BEEF PRODUCTS INTO UNITED STATES

Let's take a look at the imports of beef into the United States. These imports dropped off starting in 1952 and then climbed to record levels this year.

Beef Imports From All Countries 1947 - 1959

PERIOD	PRODUCT WEIGHT BEEF & VEAL	CARCASS WEIGHT EQUIVALENT BEEF & VEAL
	Million lbs.	Million lbs.
Average: 1937-41	98	214
1947	34	64
1948	215	351
1949	171	247
1950	210	348
1951	324	484
1952	284	429
1953	160	271
1954	126	226
1955	119	222
1956	112	204
1957	248	395
1958	619	909
1959 (first 10 months)	632	1,030

Much of the increase in beef and veal in this country in 1958 compared with 1957 was due to increased imports from New Zealand, Argentina, and Mexico.

The sharp increase in beef and veal imports for the first 10 months of 1959 was due to Australia coming into the world market. Until the British meat agreement with Australia in October 1958, Australia could make only token shipments to this country.

Ireland, in recent years, has become an important shipper of beef and veal into this country. Her beef and veal shipments to this country in 1950 totaled only 400,000 pounds and for the first 10 months of 1959 the total climbed to 38.4 million pounds.

BEEF AND VEAL PRODUCTION IN THE UNITED STATES

Imports of beef and veal products into this country in relation to the U. S. production of these products have been very low. We feel that a look at the beef and veal production in this country for the past 10 years, will afford an opportunity to see the changes that have taken place in the relationship between U. S. beef imports and U. S. beef production.

U. S. Production of All Meats, Beef and Veal 1950 - 1959

PERIOD	ALL MEATS	BEEF AND VEAL
	(Million lbs.)	(Million lbs.)
1950	22,075	10,764
1951	21,898	9,896
1952	22,994	10,819
1953	24,688	13,953
1954	25,214	14,610
1955	26,896	15,147
1956	28,056	16,094
1957	26,930	15,739
1958	25,700	14,550
1959 (1)	27,200	15,000 Est.

(1) Forecast by U. S. Department of Agriculture

BEEF AND VEAL IMPORTS MAY REACH 12 PERCENT OF U. S. PRODUCTION

The importation of beef and veal into this country is growing at such a rapid rate that such imports have become a vital factor in our domestic market. Back in 1956 these imports represented only 1.5 percent of the U. S. production. When beef and veal imports began to step up in 1957 they represented almost 4 percent of the production.

Heavy shipments from New Zealand in 1958 pushed the relation between imports and production up to about 8 percent. When the Anglo-Australian meat agreement was modified in October last year, beef and veal began to pour into this country. Beef and veal imports into this country for 1959 may reach 12 percent of the U. S. production.

Based on the 1,030 million pounds of beef and veal imported into this country for the first 10 months of this year, these imports for the whole year would be equivalent to around 2,750,000 head of live cattle and calves.

Imports of cattle into this country for the first 9 months of this year have been down about 20 percent from 1958. Based on the imports of cattle into this country from Canada and Mexico for the first 9 months of this year imports from all countries for the whole year may total around 900,000 head.

Beef and Veal Imports By Countries 1951 - 1959

COUNTRY	1951	1952	1953	1954	1955	1956	1957	1958	1959*
					(Million lbs.)				
Canada	91.6	2.0	17.5	7.7	8.0	11.9	47.5	53.6	19.4
Mexico	46.4	72.4	25.0	18.1	10.4	6.5	13.0	75.0	43.7
Argentina	141.7	107.6	87.5	64.5	86.5	73.1	99.5	216.7	125.7
Uruguay	18.7	16.9	16.9	24.3	1.3	3.7	11.6	9.6	11.7
Ireland	9.8	15.9	5.6	3.1	0.8	4.2	6.5	23.8	38.4
Australia	0.4	2.3	0.3	1.8	2.2	2.9	5.5	17.7	175.4
New Zealand	-	58.8	2.4	1.1	2.6	4.3	50.1	183.7	138.4
All Others	15.5	8.4	4.9	5.1	6.7	5.3	13.2	38.9	79.5
Total	324.1	284.3	160.1	125.7	118.5	111.9	247.7	619.2	632.2

*First 10 months

About 93 percent of the beef and veal shipped into this country came from 7 countries in 1958. Based upon the increased beef and veal imports during the last 12 months this percentage may climb to 98 percent.

Australia is now the predominant source of manufacturing beef and veal subsequent to the modification of the Anglo-Australian Meat Agreement. Now Australia is free to ship low grade beef and mutton to any world market without restriction. During the first 10 months of 1959, for example, Australia shipped 175.4 million lbs. of beef and veal to this country as compared with only 17.7 million lbs. for 1958.

Minister for Primary Industry, Mr. C. F. Adermann, commenting on Australia's export trade several months ago said that "our sales of beef, veal, mutton and lamb in the past 12 months to the United States earned about $50 million, which is unprecedented."

Speaking in the Budget debate in the House of Representatives, Mr. Adermann said "the opening up of a market in the United States for manufacturing beef, (beef from lower grade animals) added directly to his country's dollar earnings and has increased returns to producers."

Mr. Adermann stated further that "beef and veal shipments to the United States have given their beef cattle industry a healthy stimulus because producers have been able to kill and sell at remunerative prices."

New Zealand, the largest source of U. S. imports of manufacturing beef during 1957 and 1958 showed a slight decrease in 1959. The U. S. totals 93 percent of New Zealands exports of boneless beef and 82 percent of boneless mutton.

Argentine shipments to the United States, mostly lightly salted frozen boneless beef, rose sharply during 1958 and early 1959. The discovery by the U. S. Department of Agriculture that this type of meat may contain foot-and-mouth disease organisms has caused an embargo to be placed on imports.

This ban became effective May 15, 1959 for all foot-and-mouth disease countries such as Brazil, Uruguay and Paraguay.

Mexico's 1958 beef imports were 433 percent over 1957 and dropped 39 percent below 1958 during the first 8 months in 1959. The decrease resulted from the Mexican Government's action of a short embargo on cattle exports, and higher export taxes in order to keep meat prices to consumers low.

Brazil shipped practically no meat products to this country during the past 10 years. Then during the first 10 months of 1959 the country shipped to our market 16 million pounds of cured beef and almost 19 million pounds of canned beef.

Shipments of fresh and frozen foreign beef and veal into the Pacific Coast States for 1958 and 1959 set an all-time record. The heavy imports of lower grade boneless beef was a hardship on boning establishments using the domestic product and forced many of them to reduce production. The following table shows the beef and veal imports into the Pacific Coast States for 1959.

Beef and Veal Imports to Pacific Coast Ports
January 1 to December 11, 1959

COUNTRY OF ORIGIN	BEEF AND VEAL
	(Pounds)
Canada	1,801,611
Mexico	3,958,648
Australia	45,371,726
New Zealand	48,393,747
Argentina	13,667,891
Brazil	5,864,884
Paraguay	573,617
Holland	233,366
Uruguay	1,623,969
Others	1,445,544
Total	122,935,003

Besides the shipment of more than 122 million lbs. of beef and veal to the Pacific Coast ports, 1,254,935 lbs. of lamb and 4,728,181 lbs. of mutton came in during the 11-month period in 1959.

Trade observers believe that more than 75 percent of the beef and veal shipments and perhaps a higher percentage of the lamb and mutton shipments through the Pacific Coast ports came through the California ports. These imports show that more than 16 percent of the total U. S. beef and veal imports are coming to the Pacific Coast, particularly California.

Based on the almost 123 million pounds of beef and veal coming through the Pacific Coast ports for the first 11 months of this year, these imports for the whole year would total around 350,000 head of live cattle and calves.

FARM WAGES IN FOREIGN LIVESTOCK COUNTRIES LOW

Wages paid to farm workers in foreign livestock countries such as those in South America, and those with large cattle populations such as Africa are considered far below the wages paid to workers on stock ranches in this country. Wages paid to workers on stock farms in Canada, New Zealand, and Australia are higher than those paid in other foreign livestock countries.

The state of Sonora in Mexico, is one of the cattle producing sections in that country. The going wage for a foreman of a cattle ranch in the northern part of Sonora is around $54 per month, plus a house and groceries and beef. Permanent cow hands receive $30 per month, plus a cabin and groceries and beef. Part-time cow hands furnishing their own horses for cattle drives receive $1.25 per day and food.

Ranch workers in Australia received a wage increase on June 15, 1959, however, even with the increase, their wages are still far below those paid to comparable workers in this country. The going farm wage in New Zealand is slightly lower than those paid in Australia.

The wage increase in Australia gives a livestock worker with a year or less experience $23.95 per week and board and room for a 44-hour week. A livestock worker with at least two years experience who is able to take charge of a cattle operation and handle and maintain equipment receives $25.65 per week with board and room.

BEEF AND VEAL IMPORTS SLOWS MARKETING U. S. COWS

The importation of substantial quantities of beef and veal has had an immediate and long-term depressing effect on cattle production and marketing patterns in California and the nation. During the past two years of exceptionally large foreign beef imports, there has existed in this country an especially broad demand for boneless or manufacturing beef.

If this demand had been permitted to exert itself in a normal manner upon our domestic cattle industry it probably would have resulted in the marketing of many thin old cows, which during the past two years have remained on farms and ranches and thus contributed to a record herd expansion. The U. S. Department of Agriculture reports that U. S. cattle and calf numbers increased by 3.5 million head in 1958 and that over 5 million more are being added in 1959. The economic effect of this large increase is yet to be felt by producers. It is reasonable to assume, however, that a good share of this increase may have been averted had demand exerted itself in a normal manner upon our domestic supply.

UNITED STATES TARIFF RATES ON CATTLE AND BEEF

Since quotas and tariff rates on cattle and beef are important, the following rates are in effect for all countries except the U.S.S.R. and other Communist countries:

Cattle and Calves

Weighing less than 200 pounds each.....1½¢ per lb. not in excess of quota; 2½¢ per lb. in excess of quota.

The rate of 1½¢ per lb. shall apply to not more than 200,000 head of the foregoing cattle entered in the 12-month period beginning April 1 in any year.

Weighing 200 or more but less than 700 lbs. each.....2½¢ per pound.

Weighing 700 lbs. or more each:

Cows imported especially for dairy purposes.....1½¢ per pound

Other.....1½¢ per lb. not in excess of quota; 2½¢ in excess of quota.

The rate of 1½¢ per lb. shall apply to not more than 400,000 head of such "other" cattle entered in the 12-month period beginning April 1 in any year, but to not more than 120,000 head of such cattle entered in any 3-month period beginning April 1, July 1,

October 1, or January 1 within any such 12-month period; and any such "other" cattle not subject to that rate of duty shall be dutiable at 2½¢ per lb.

Beef and Veal

Beef and veal, fresh, chilled, or frozen.....3¢ per pound.

FUTURE OUTLOOK FOR BEEF AND VEAL IMPORTS

U. S. producers and processors can expect continued heavy imports of boneless beef. Increasing shipments from Australia will probably account for one-third of these imports. Irish exports to this country are also expected to rise. Imports from other areas will probably remain substantially at the same level or climb higher.

The United States will always import varying amounts of the lower grade beef and mutton. Trade contracts have been made, refrigerated cargo ships have been put on the U. S. run, and packing plants in several large exporting countries have been modified to meet the demand of the U. S. market. Four new specially designed refrigerated cargo ships will be launched in 1960 to move beef and other meat products from Australia to this country.

TARIFF RELIEF UNDER ESCAPE CLAUSE

The escape clause contained in the Reciprocal Trade Agreement Act provides that an industry may petition the Tariff Commission to investigate and recommend to the President whether or not in its opinion a product is being imported into this country in such quantities as to cause serious injury to a domestic industry producing the same kind of product.

The Reciprocal Trade Agreement Act provides that the Tariff Commission can only investigate and recommend to the President whether or not an industry is being harmed. The President of the United States has the power to reject, set aside or accept the Tariff Commissions' recommendation.

Other industries have taken presumably valid cases to the Tariff Commission. Their success has been limited. Here is the bleak record under the escape clause:

Of 80 cases processed by the Tariff Commission, 14 were dismissed, 34 were decided adversely, 32 were sent to the President with recommendations for tariff increase or import quota.

Of the 32 cases sent to him, the President acted favorably on only 11. In eight of the 11 he put into effect a lesser remedy than the Tariff Commission recommended. Among the cases rejected or set aside by the President were seven unanimous recommendations of the Tariff Commission.

SHEEP PRODUCERS ASK TARIFF COMMISSION TO INVESTIGATE LAMB IMPORTS

The sheep producers of the nation have asked the Tariff Commission to make a prompt investigation of imports of lamb and mutton entering this country. They are requesting such an investigation because of injury to domestic

producers and the further threat of larger quantities of lamb coming into this country in 1960. Imports of lamb and mutton for 1956 totaled 1.3 million lbs. For 1958 they totaled 23.9 million lbs. for the first 8 months of 1959 they total 39.6 million lbs.

Total lamb and mutton imports for 1959 will amount to 10 percent of the domestic production. The planned increased imports of lamb and mutton will amount to 18 percent of domestic production in 1960.

Lamb and mutton is coming to the United States, mostly from the low-cost producing countries of New Zealand and Australia - the same countries shipping large amounts of beef.

Australia, with a sheep population of 153 million head due to the modification of the Anglo-Australian Meat Agreement, can ship its entire production to world markets. New Zealand, another large sheep producer, is reported to be able to land lamb carcasses, tariff paid, at 25½¢ a pound as compared with the average carcass value for domestic lamb of 41 to 42 cents per pound.

U. S. CATTLE, BEEF AND VEAL EXPORTS

Cattle exports are comprised mostly of beef and dairy breeding animals. Beef exports have been very small for the past 10 years. Beef and veal imports for the 11-month period in 1959 through Pacific Coast ports alone were higher than the total U. S. exports of beef and veal in the past 10 years, except in 1956.

U. S. Cattle, Beef and Veal Exports 1950 - 1958

YEAR	CATTLE	BEEF AND VEAL
	Head	Million lbs.
1950	8,351	23
1951	8,395	20
1952	10,812	30
1953 (1)	14,790	60
1954 (1)	21,252	64
1955	34,901	68
1956	36,860	181
1957	43,945	101
1958	25,582	34

(1) Includes beef and veal shipments to CARE

Canada is this country's best market for beef and veal products. The beef and veal exports to that country average from 8 to 15 million pounds annually. The shipment of 47.7 million pounds to Spain in 1956 and 35.9 million pounds in 1957 was responsible for the high exports of beef and veal for those two years.

Practically all of the cattle exported from this country are breeding animals. The number of breeding animals exported in 1958 totaled 23,904 head and other cattle totaled only 1,678 head. The largest number of other cattle exported from this country in recent years was 12,621 head in 1956. The total number of breeding cattle for the same year totaled 24,239 head.

CONCLUSION

We wish again to express our appreciation for the opportunity to present the competitive position of the beef cattle industry in California. Chairman James A. Cobey and the members of the Senate Fact Finding Committee on Labor are to be complimented for their approach to the study of the agricultural labor picture in our State. We hope the committee will call upon us at any time for assistance in their study.

Respectfully submitted,

Gordon K. Van Vleck

Gordon K. Van Vleck,
First Vice President

CALIFORNIA CATTLEMEN'S ASSOCIATION
681 Market Street - 659 Monadnock Building
San Francisco 5, California

Appendix to Statement Before The California Senate Fact Finding Committee On Labor And Welfare On The Competitive Position Of The California Beef Cattle Industry With Beef Cattle Production In Other States and Other Countries Of The World showing the source of the material used in the tables, charts, and statements.

PAGE	TABLE, CHART, OR STATEMENT	SOURCE
2	Cattle and calves on farms in California	U. S. Department of Agriculture
3	Cash receipts from farm marketings of livestock	California Crop and Livestock Reporting Service
3	California cattle and calf slaughter	California Crop and Livestock Reporting Service
4	U. S. beef cattle numbers	U. S. Department of Agriculture
5	Leading states by rank in beef cattle production	U. S. Department of Agriculture
5	Statement - Beef production shifting to the south	Armour and Company
6	Cattle and calves shipped into California	California Crop and Livestock Reporting Service
7	Statement - Farmers share of consumer dollar	U. S. Department of Agriculture
8	Production of Commercial broilers	U. S. Department of Agriculture
9	U. S. prices of livestock and poultry	U. S. Department of Agriculture
10	U. S. production of meat and poultry	U. S. Department of Agriculture
11	Fresh meat and livestock rates as of November 1945	Chas. E. Blaine & Son, Associated Traffic Management, Phoenix, Arizona
12	Fresh meat and livestock rates as of August 14, 1957	Chas. E. Blaine & Son, Associated Traffic Management, Phoenix, Arizona
12	Fresh meat and livestock rates as of August 15, 1957	Chas. E. Blaine & Son, Associated Traffic Management, Phoenix, Arizona
13	Fresh meat, cattle and hog rates as of June 15, 1959	Chas. E. Blaine & Son, Associated Traffic Management, Phoenix, Arizona

Appendix, Cont'd.

PAGE	TABLE, CHART, OR STATEMENT	SOURCE
14	Hourly wage paid common labor in meat packing establishments.	Federated Employers of San Francisco
15	Wages paid to farm workers in selected states	Farm Labor Fact Book, U. S. Department of Labor
17	World cattle numbers	U. S. Department of Agriculture
18	Imports of cattle and calves into United States	U. S. Department of Agriculture
19	Imports of beef products into United States	U. S. Department of Agriculture
20	U. S. production of all meats, beef and veal	U. S. Department of Agriculture
20	Beef and veal imports by countries	U. S. Department of Agriculture
22	Beef and veal imports to Pacific Coast ports	U. S. Department of Agriculture
22	Statement - Farm wages in foreign livestock countries low	Walter Markham, cattleman in Sonora, Mexico. The Pastoral Review and Graziers' Record published in Australia
23	United States Tariff rates on cattle and beef	U. S. Department of Agriculture
24	Statement - Future outlook for beef and veal imports	U. S. Department of Agriculture
25	U. S. cattle, beef and veal exports	U. S. Department of Agriculture

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STATEMENT TO THE SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE, CALIFORNIA STATE LEGISLATURE BY LEONARD V. THOMPSON

For many years the harvest labor situation in theLodi area was not a serious problem. Farmers' sons stayed on the ranch to help with the work. Local women took pride in their ability as grape packers. Field packing Tokays was a specialty of theJapanese workers. Displaced dust bowlers followed crops up the state every summer. Then economic changes caused farmers' sons to seek other work. Local women found more suitable employment in canneries and stores. World War II saw the Japanese interned, and an influx of wetbacks.

Since 1951 the wetbacks have been replaced by the bracero program. The dustbowlers are now Californians, and only those who like the nomadic life or who are unable to hold down a steady job follow the fruit. A few Japanese are still packing Tokay grapes, but many have gone into gardening and skilled work.

Local field help combined with the remaining migrant workers do not make a large enough work force to meet harvest needs. With the bracero program providing supplemental workers, growers have been able to harvest the crop, but are chronically short handed during seasonal peaks or bad weather.

The bracero program has been used unly on a limited scale in vineyards, primarily for picking winery grapes.

In 1959 the Farm Placement Service in Lodi issued 4,638 authorizations for use of Mexican nationals. Of this number, 2,876 were for tomato harvest, and 618 for harvest of grapes. A large portion of those used in grapes were filled by using nationals temporarily idle is tomatoes, thus making a better job for the nationals and keeping additional imports at a minimum. Without hhe help of the nationals the grape men would have suffered, and the tomato growers would have lost most of the crop.

In earlier testimony before your committee in Sacramento, comment was made to the effect that farmers are never satisfied--they always want more harvest help. It is true that farmers want bigger crews than in the past. Changing methods of harvest and pressure from the Department of Public Health and the Federal Food and Drug Administration require the farmer to harvest his crop when it is just at its peak. This has resulted in a shorter crushing season. Faced with severe penalties or even non acceptance of his grapes if mold and rot get out of hand after a rain, the vineyardist must move his crop fast or take a heavy loss.

For many years a 70 day crushing season was considered normal, but with the changes in standards of acceptable quality and untimely rains, for the last five years the job has been done in an average of 50 crushing days. This speedup of course means more workers required on any given day. Graph #1 illustfated the trend of shorter crushing seasons over the past 25 years at one Lodi winery.

Conversion to bulk hauling of winery grapes in recent years has eliminated much of the heavy box handling and speeded up the operation, but we have no grape picking machine in sight, and when one is developed it will probably only be adaptible to special varieties and vine training, so its practical use will be for the next generation.

The farmer is often accused of not paying high enough wages. Certainly agriculture's wages do not compare with those paid by industry. There is good reason for this. Farming is very competetive, and to reduce his risk and increase his chance to show a profit, the farmer has to watch costs closely and not invest money into the business that won't come back when the crop is sold. Vineyard farming is not run on a cost-plus basis. Its products are sold on a free market. Production cost of the commodity has no direct bearing upon its price. Prices paid for winery grapes are determined by supply available and the demand, which is considerably influenced by existing inventory. Graph #2 shows the trend of commercial winery prices versus crop since 1947. You will observe that generally prices are in inverse relation to production; both subject to considerable fluctuation. The theory that wage increases are passed on to the consumer may hold in industry, but the correlation is remote in agriculture. Any local increase in wages merely raises production costs of the farmer in that particular district, placing his crop at a competetive disadvantage with the same crop produced in other areas.

The bracero is not "cheap" labor. The wage must be at

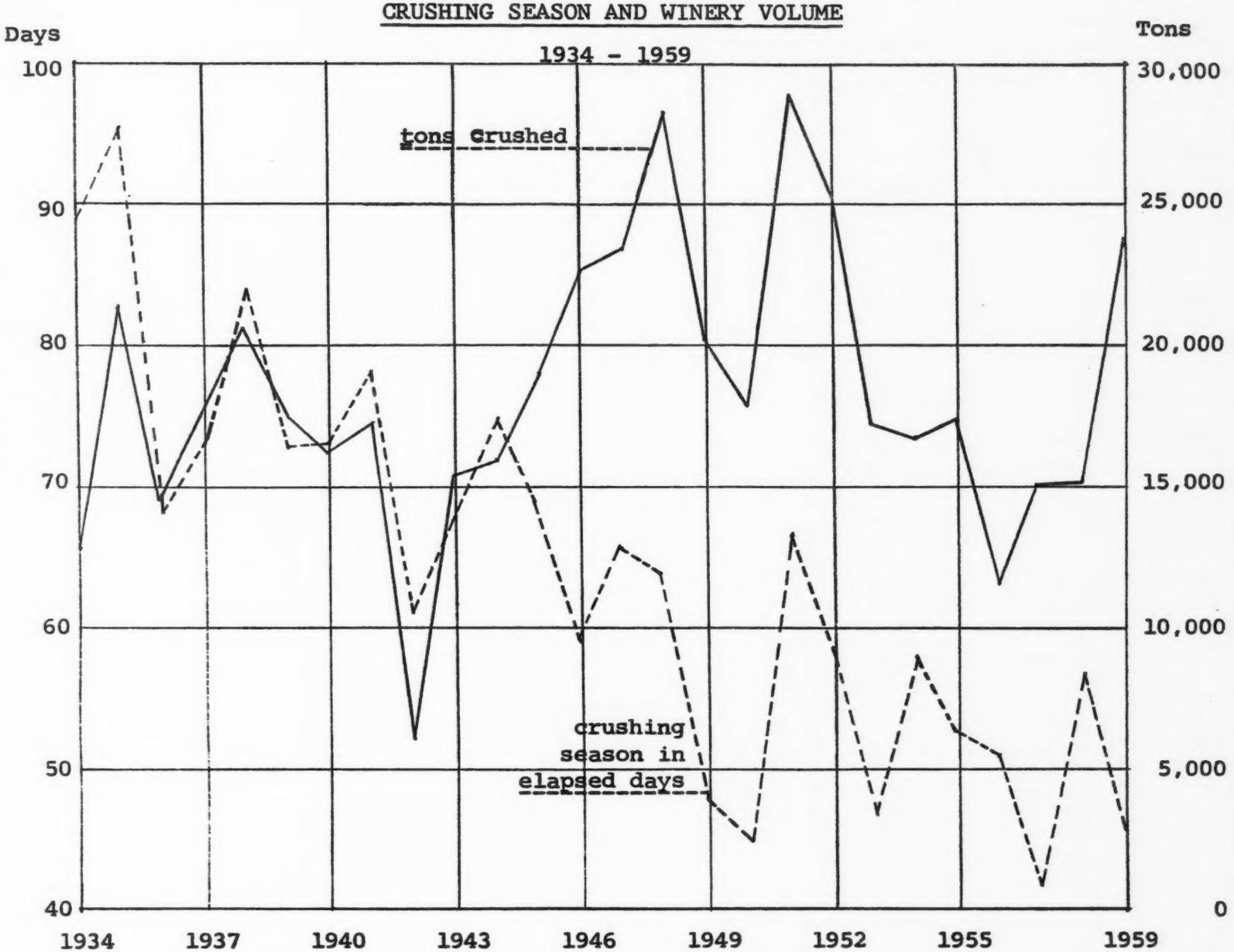
least the "prevailing" wage of domestics, which was $1.00 an hour and up in the Lodi area in 1959. $33.00 per man transportation costs, 75 cents per man per week association costs, compensation insurance, and the 75% work guarantee put a big load on the farmer using Mexican nationals. Hauling the men to work and board cost, frequently 25 to 50 cents in excess of the $1.75 deductible, are other additional expenses encountered. The bracero is the most reliable and ambitious grape picker available, but when all costs are considered he is also the most expensive.

In spite of the extra costs involved, the nationals are used because there just isn't enough other help to be counted on. I believe that, barring widespread industrial unemployment, California's migrant labor force will continue to dwindle and Mexican nationals or some other competent supplemental help will be necessary each year to harvest our crops.

GRAPH #1

CRUSHING SEASON AND WINERY VOLUME

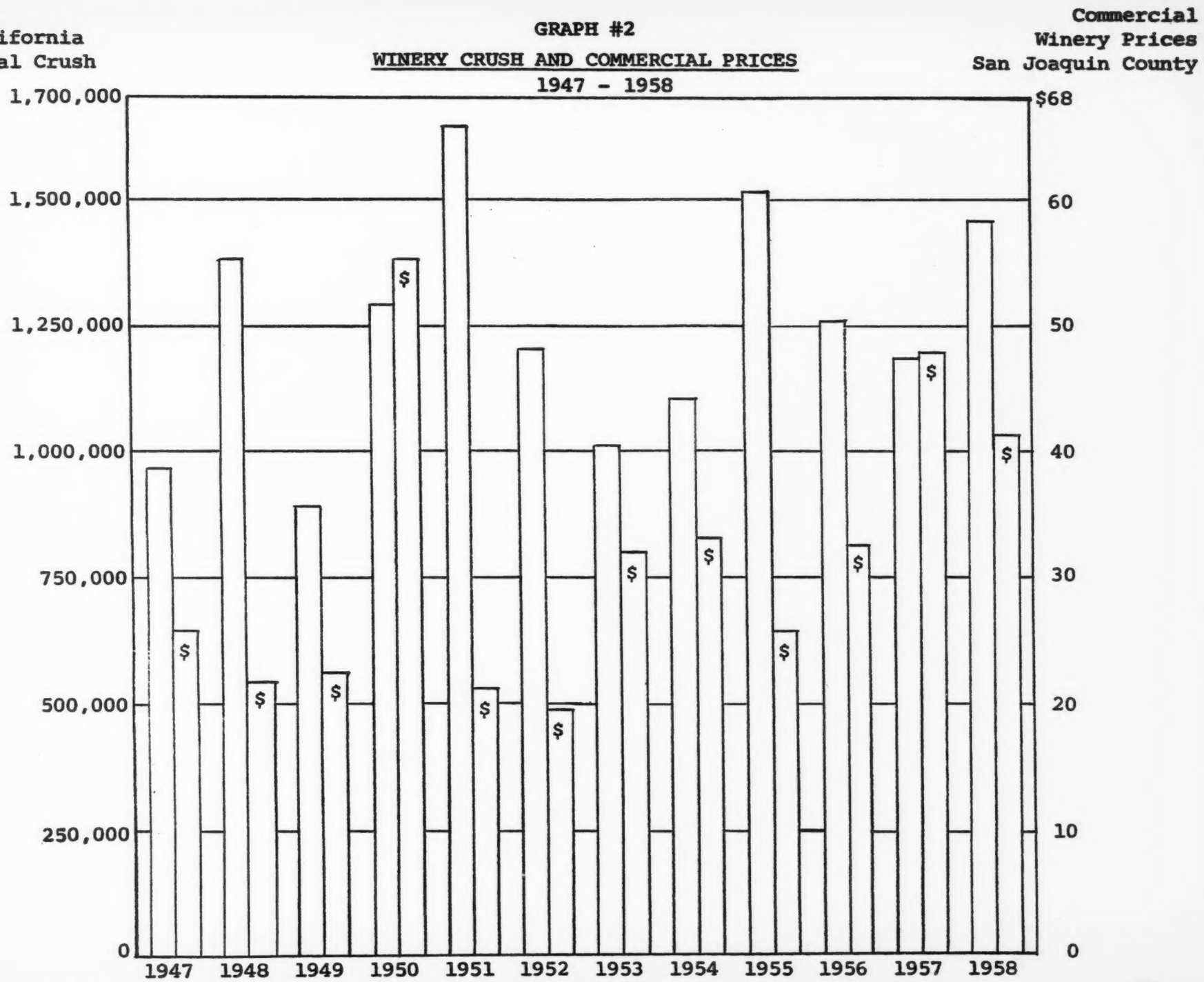
1934 - 1959



Woodbridge Vineyard Association, Lodi

GRAPH #2

WINERY CRUSH AND COMMERCIAL PRICES
1947 - 1958



A. TIEBERG
& G. ROCHE

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State of California

DEPARTMENT OF EMPLOYMENT

800 Capitol Avenue
Sacramento 14, California

January 11, 1960
Refer to: 53:MPMc:vw

Honorable James A. Cobey, Chairman
Senate Committee on Labor and Welfare
Room 413 Capitol
Sacramento, California

Attention: Andrew W. Oppmann, Jr.
Executive Secretary

Dear Senator Cobey:

In accordance with the request of the Committee that the Department furnish the official citation to various Federal statutes cited in its testimony before your Committee on November 16 and 17, 1959, the following are set forth:

Public Law 78 - 7 USCA Sections 1461 - 1468.
Wagner-Peyser - 29 USCA Section 49.
Social Security Act - 42 USCA (scattered Sections throughout).
Internal Revenue Code - 29 USCA Sections 3101 - 3504.
Reed Act - 42 USCA Sections 503, 1101-1104, and 1321-1323; and
26 USCA Sections 3302, 3304 and 3306.

Sincerely,

(signed)

MAURICE P. MC CAFFREY, PRINCIPAL COUNSEL

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Dodge CO - General Office, Sacramento, California
FPR - Farm Placement Representative
FPS - Farm Placement Supervisor
IO - Local or Farm Service Office staff

P - Responsible for preparation
F - Assists in preparation
X - Space form used in meeting Federal reporting requirements

SPECIAL REPORTING REQUIREMENTS OF THE FARM PLACEMENT PROGRAM

Form No.	Title	Required By		Prepared By				Nature and Purpose
		State	Federal	CO	FPS	FPR	IO	
DE 4906	Trailer or Seasonal Farm Labor	X					X	Provides summary of contacts with employers and workers, including information secured by each seasonal
	Office Activities Report							[illegible] (Monthly)
DE 4595	Vital[illegible]	X			X	X		Supported of 3 forms and 1 narrative report. Used by Central [illegible] (Daily)
	Monthly [illegible]							[illegible] (Semi-annually)
DE 4609	Special [illegible]		X			X		Gives preliminary information prior to completion of regular [illegible] survey under certain special conditions. (As required)
	Monthly [illegible]							[illegible] used in preparation of DE 4[illegible] (Monthly)
DE 4604	[illegible]							[illegible] (DE 229) Monthly
	[illegible]							[illegible]
	[illegible]							[illegible]
	[illegible]							[illegible]
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	[illegible]							[illegible]
	[illegible]							[illegible]

JAPANESE AND FILIPINO NATIONAL FARM LABOR PROGRAM

In the Fall of 1955 Dr. Shiroshi Nasu, Prof. Emeritus, Tokyo University; President, Kokusai-Noyukai (The Association for International Collaboration of Farmers); President, Nosom-Kosei-Kyokai (The Rural Rehabilitation Association of Japan); Japanese Government's Representative, Council Session of F.A.O., visited the Director of the Department of Employment for the purpose of discussing the possibility of a Japanese farm labor program in California. Dr. Nasu advised the Director that he had discussed this matter with the Department of State, Department of Justice, and Department of Labor in Washington and had received permission from them to discuss the matter with California officials.

The Director of the Department of Employment advised Dr. Nasu that California preferred to obtain their supplementary workers from Mexico because of the close proximity to California of Mexico and the fact that workers could be returned to Mexico without undue hardships when not needed by California farmers. The Director also advised Dr. Nasu that the State of California did not object to a small program of Japanese farm workers, if it was indicated that such a program would help international relations between Japan and the United States, and a contract could be arrived at that would be satisfactory to the parties concerned.

In early 1956 there was a delay by U. S. Congress extending Public Law 78, and a committee of agricultural employers met with the Director of the Department of Employment to inquire as to the possibility of expanding the supplemental foreign labor program for agriculture to include other countries so that too much dependency would not have to be placed on the Mexican. These employers were advised of the permission given to Dr. Nasu and, as a result of this meeting, this committee proceeded to work with the Department of State; Department of Justice, Immigration and Naturalization Service; and the Japanese Government towards the arranging of a program for Japanese agricultural workers.

At this time the Philippine Government also expressed interest in a like program, and this committee included the Filipino workers in their negotiations. As a result of this committee of California agricultural employers working with the two governments, they completed the arrangements for such a program and presented a proposed contract for the program. This contract was reviewed by the Department of Labor, and upon its amendment to include suggestions made by the Department of Labor, the contract was accepted and the program became operative.

To obtain Japanese or Filipino workers under this informal arrangement, it is necessary for the employer to place an order for the workers needed with the local office of the Department of Employment. If in the judgment of the responsible staff in the local Department of Employment office there is a shortage of workers which would require the approval of authorizations for Mexican Nationals, the local office requests approval for the use of Japanese Nationals instead of Mexican Nationals, and the number approved is charged against the employment ceiling for foreign workers given by the Department of Labor.

The Japanese workers are permitted to come to the United States under special provisions of Public Law 414, and the Department of Immigration and Naturalization Service will not recognize a request for workers under this proviso unless an approval is received from the Secretary of Labor. As a consequence, California recommends to the Department of Labor that a request to import Japanese Nationals rather than Mexican Nationals, within the approved foreign labor ceiling, be approved by the Secretary of Labor.

The Japanese program differs from the Mexican National program in that the Japanese Government has created a Council for Supplementary Agricultural Workers directed by

Mr. K. K. Yonegaki, headquarters in San Francisco, who has the responsibility of supervising the Japanese farm labor program on behalf of the Japanese Government. Furthermore, a Japanese worker is obliged to make his own arrangements for travel from Japan to the United States port of entry and for his return transportation. His term of work is for a period of six months, renewable at the end of each six months' period, for a maximum stay of three years, at which time he must return to Japan.

The original agreement provided that 1,000 workers be recruited the first year, and these workers began arriving around September 20, 1956. By June 30, 1957, the first contingent had all been approved and were in California. These workers were recruited by the Japanese Government and were well screened and pretrained. In 1958 an additional 250 Japanese workers were approved by the Department of Immigration and Naturalization Service, and in the spring of 1959, it was agreed by the Director of the Department of Employment and the Immigration and Naturalization Service that a maximum of 1,500 Japanese workers would be approved for employment in California, and arrangements were made for the replacement of workers whose contracts were expiring at the end of a three-year period, as well as additional workers to bring the total up to approximately 1,500.

The general rules as they relate to wages, housing, transportation, and occupations are the same as those applied to the Mexican National program.

The Philippine Government did not complete the arrangements in accordance with their responsibility to arrange transportation for their workers, and, as a consequence, the program did not become operative for Filipino workers until May of 1957, when 28 workers were brought to California. Three of these workers proved unsatisfactory and were repatriated to their homeland; the balance of 25 Filipino workers have remained in California and are now entering into their third year of employment. It is very doubtful that this program will be continued when these men complete their three years' work.

The Department of Justice, Immigration and Naturalization Service, and the Japanese Government advises us that this program has done much towards improving international relations between Japan and the United States, and there is an expressed desire to continue the program.

JAPANESE AGRICULTURAL WORKER AGREEMENT

THIS AGREEMENT, made and entered into in Tokyo, Japan, this day of _____ 19___ , by and between _____ , a growers' association in the State of California, hereinafter referred to as the "Association," and _____ of _____ Prefecture, Japan, hereinafter referred to as "Worker":

WITNESSETH:

WHEREAS, the Association and Worker mutually desire that Worker be beneficially employed in the State of California, United States of America, to alleviate the continuing shortage of agricultural labor and at the same time to give Worker an opportunity to participate in the American way of life and to learn the latest technical methods in American agricultural development;

NOW THEREFORE, in consideration of the above and the undertakings hereinafter set forth, the PARTIES HEREBY AGREE as follows:

1. The Association, on behalf of its grower-members, shall employ Worker and shall assign Worker to a grower-member subject to the terms and conditions hereunder set forth.

2. The period of employment of Worker shall be for a period of six months subject to renewal every six months up to a total of three years commencing as of the date of arrival of the Worker at the port of debarkation. Provided that 30 days prior to the expiration of the first 12 months' contract with any employer or 30 days prior to the expiration of any six months' contract thereafter, the Worker shall have the option of renewing his work contract with the same employer or of requesting a transfer to another employer or to another area of employment with the same employer. Workers who desire to exercise this option shall be given preference in selection over newly-arrived Workers by authorized employers. Transportation expenses of such transfers will be paid by the Workers.

3. The Worker shall --

a. proceed from the port of debarkation to the place of assignment in accordance with the order of the Association and as provided by said Association, with said Association providing transportation and other necessary expenses, such as those for appropriate meals, etc.;

b. work and reside at the place of assignment as set forth by the Association, or at any other such place as the Association may require;

c. at all times during the duration of his assignment hereunder, as the Association or grower-member may from time to time require, faithfully and diligently perform the duties of an agricultural worker under the supervision and direction of the Association or grower-member; provided, however, that the Worker shall not be obliged to work for more than eight hours in any period of twenty-four consecutive hours, nor more than six days in any given week, except that during peak seasons at the request of the grower-member Worker may work up to twelve hours per day for a consecutive period not to exceed three weeks at any single time; and provided further that the conditions of labor are in conformity with state laws and practices;

d. obey and comply with all the rules and regulations of the Association and its grower-member to whom he is assigned relating to safety, discipline, and the care and maintenance of property;

e. to keep clean the living quarters furnished to him by the Association or grower-member;

f. not at any time during the continuance of his employment hereunder, work for any person other than the grower-member to whom he is assigned without prior approval of the Association; and not on any condition in work other than in agriculture;

g. submit any claim or grievance to the grievance committee as provided in the General Agreement between the Council for Supplementary Agricultural Workers, hereinafter referred to as the "Council," and the Association; and

h. avail himself of opportunities to attend classes and other projects in English, United States history, agricultural methods, etc.

4. The Association and/or grower-member to which Worker is assigned shall --

a. pay for and be responsible for the transportation, and other usual and personal expenses of Worker from the port of debarkation in California to the first place of assignment, between one place of assignment and subsequent places of assignment, and between the last place of assignment and the port of embarkation in California, including the days of stay in such ports which shall not exceed three days unless occasioned by an act of the Association or grower-member. In addition to the foregoing, the employer, to cover a portion of the cost of the return transportation from the port of embarkation to Japan, shall pay to the Council the sum of $1.00 per Worker for each month or fraction thereof that each such Worker is employed under this Agreement;

b. during the duration of Worker's assignment hereunder, pay Worker in lawful money of the United States of America at weekly or bi-weekly or semi-monthly intervals, wages at rates not less than prevailing rates, as determined from time to time by the Secretary of Labor, paid to domestic workers for similar work within the particular area of assignment. The Association or grower-member shall furnish to the Secretary of Labor, at his request, such information as is required to enable him to determine the prevailing wage rate;

c. guarantee Worker, provided he is able and willing to work, the opportunity to work at least seventy-five per cent of the work days (Sundays and National and State holidays excepted) for the total period during each of the six months in which this Agreement is in effect. If the Association or grower-member affords Worker, during such six month period, less work than is required under this provision, Worker shall be paid the amount he would have earned had he, in fact, worked for the guaranteed number of days. For the purpose of computing the guarantee under this Agreement, eight hours shall be considered a work day, provided that any day that Worker is absent on furlough as authorized in 4. h. of this Agreement shall be considered as a day of work within the meaning of this provision. Where wages are paid on a piece-rate basis, Worker's average hourly earnings shall be used for the purpose of computing the amount due Worker within a guarantee-period. Moreover, in determining whether the guarantee of work provided for in this provision has been met, any hours which Worker fails to work during the eight-hour day, except Sundays and National and State holidays, when he is afforded the opportunity to work by the grower-member, and all hours of work actually performed, shall be counted in calculating the days of work required to meet the satisfaction of this guarantee. When work is performed on Sundays or National and State holidays, the hours worked on those days will be counted in computing the seventy-five per cent guarantee;

d. during the duration of Worker's assignment, provide adequate meals suitable for Japanese workers in keeping with the seasonal demands of reasonable living, at cost to Worker not to exceed one dollar and seventy-five cents per day;

e. in the case where the Association or grower-member transfers Worker from one place of assignment to another, where possible, at least a week's prior notice of such transfer shall be given Worker;

f. agree to carry at no cost to Worker a standard form of workmen's compensation insurance covering occupational hazards and injuries;

g. cremate the body of Worker and send his ashes to his next of kin in Japan should Worker die during his period of assignment in California;

h. grant furlough to Worker for bona-fide compassionate reasons, provided that said Worker pays his own expenses to and from Japan and that he remains away from his assignment not more than two weeks, unless otherwise agreed to by the Association;

i. not at any time during the duration of Worker's employment hereunder, to require him to purchase articles or services for consumption or use by him from any source or person not of his voluntary choice;

j. not at any time during the duration of Worker's assignment hereunder, do any act or thing that would tend to subject Worker to living and working conditions or sanitary or medical services generally inferior to those afforded to other agricultural workers in the same area of employment, or which would subject him to discrimination in employment because of race, creed, color, or national origin; provided that Worker shall not be assigned to any job for which domestic workers can be readily obtained or where the assignment of Worker would adversely affect the wages and working conditions of domestic agricultural workers;

k. put up necessary amount of money for such bond as may be required by laws and regulations; and

l. not to assign any Worker to any job except on the basis of a determination from the Secretary of Labor or such persons as he may designate that qualified domestic agricultural workers cannot be obtained to fill the job.

5. During the duration of Worker's assignment hereunder, the Association or grower-member shall make deductions from the wages due to Worker in respect to each payroll period, in the following order:

a. such sums or deductions as may be required by federal and state laws;

b. cost of meals as provided for Worker in accordance with 4. d. of this Agreement;

c. premiums for group off-the-job insurance, not in excess of those generally charged in the area for comparable insurance coverage;

d. deposit for faithful return of tools, equipment and blankets loaned to Worker which shall be refunded upon return of said articles in the same condition as when furnished, damage from reasonable use excepted;

e. costs of transportation and incidental expenses, if any, advanced for travel from Japan to the port of debarkation in California;

f. four per cent of the wages due to Worker to be deposited with the Council for its welfare fund for the benefit of Workers and administrative costs as provided in the Worker's Agreement with the Council;

g. in case where, after all deductions are made, a balance of more than twenty dollars remains, at least fifty per cent of such sum in excess of the twenty dollars, said deductions to be deposited in Worker's account in Japan by the Council and to be paid to him on his return to Japan after the completion of his assignment in the United States.

Collection, deductions, or rebates from Worker's wages shall not be made except as required by law or as herein specifically provided.

6. The Association or grower-member, as a condition of employment, shall at no cost to the Worker, arrange educational and recreational opportunities for Workers, in order that on Workers' return to Japan, they will be able to help to promote the international relations between the United States and Japan and to learn the latest in agricultural methods, techniques, and processes so that they may aid in the development of Japanese agriculture. Such arrangements shall include the opportunity to each Worker to attend school classes through the public school system or other formal group instruction for not less than 4 hours each week, during periods when schools are in session in the area of employment.

No Japanese Worker shall be used to fill any job which is vacant because the occupant is out on strike or locked out in the course of a labor dispute.

7. The amendment of this Agreement before its expiration shall be subject to the consent of both parties, the Council which will represent Worker and the Association; provided that the termination of this Agreement may be considered in the following limited cases:

a. violation of the terms of this Agreement;

b. criminal offenses;

c. disability when determined by the Association and the Council.

8. The validity of the provisions of this Agreement shall be determined in accordance with the laws and regulations of the United States of America and State of California.

9. The Association or grower-member shall keep accurate and adequate records in regard to the earnings and hours of employment of the Worker in his employ. Such records shall include, but shall not be limited to, information showing the number of hours worked each day, the rate of pay, the amount of work performed each day when piece-work is performed. The Association or grower-member, as the case may be, shall make such records available at any reasonable time for inspection by the authorized representative of the Council and to the Immigration and Naturalization Service.

10. As used in this Agreement, the term "agriculture" means agriculture as defined in section 3. (F) of the Fair Labor Standards Act of 1938, as amended.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this day of _____

_____ 19 _____.

By _____

_____
(ASSOCIATION)

_____
(WORKER)

STATE OF CALIFORNIA
DEPARTMENT OF EMPLOYMENT
FORM ES-560

CLEARANCE ORDER

TRANSPORTATION, LIVING CONDITIONS, REFERRAL INSTRUCTIONS, AND OTHER OPENINGS—

EXPERIENCE, PHYSICAL, EDUCATION, UNION REQUIREMENTS, ETC.

EMPLOYER	OPENINGS	OCCUPATIONAL TITLE	CODE
	DURATION		
ADDRESS		RATE OF PAY	INDUSTRIAL CODE
LOCATION OF JOB	SEX		
	AGE RANGE		DATE OF ISSUE
ORDER-HOLDING OFFICE ADDRESS & TEL. NO.	MARITAL STATUS	HOURS OF WORK	ORDER NO.
	CITIZENSHIP		

JOB SUMMARY

Form ES-561
Rev 2 (9-54)

NOTICE OF FILLING, CANCELLATION, OR CHANGE OF CLEARANCE ORDER

1. Date..... 2. Order No. CAL.....

3. Employer's Name.....

4. Order-holding Office.....
(STREET NUMBER, CITY, AND STATE) IJO Issue.....

5. Occ. Title & Code..... 6. & Line No.....

7. This order filled on.....8. This order canceled on .....

9. PLEASE MAKE THE FOLLOWING CHANGES ON THIS ORDER:

DISTRIBUTION:

Dept. of Employment Exhibit #1
Fresno Hearing

THE FARM WAGE RATE SURVEY

An agricultural wage survey provides wage information needed by the Department of Labor to carry out its responsibilities under the laws, agreements, and regulations governing the use of Mexican Nationals in agriculture. The survey is conducted by the California Department of Employment, which asks farmers what wage rates they are actually paying their domestic employees on the day of the survey.

The Secretary of Labor makes a determination of prevailing wage rates on the basis of what the farmers report they are paying. This is published, in order to inform growers using foreign contract labor of the minimum wages they must pay under the international agreement and their contracts with the individual foreign workers.

The initial wage survey for an activity in which the use of foreign contract labor is anticipated is made as early as possible in the season. Subsequent wage surveys are made in the same activity when there are indications that the wage rate may have changed.

Each survey covers a "Crop-wage area" and applies only to the area. This area is often a county, but the labor market, crop characteristics, wage patterns, topographical characteristics, climate, and administrative requirements are all to be considered in establishing crop-wage areas.

Representative growers employing domestic workers in the crop-wage area are interviewed by Farm Placement field staff. Representativeness is sought by including the wage rates of domestic workers from small, medium, and large farms; from farms with different qualities of crop; from farms which use Nationals and from farms which do not; and from all parts of the crop-wage area. The collection of data is not limited to growers using the employment service. The interviewer secures the wage rates of domestic workers who work at the same tasks at which contract foreign workers are employed in the area. A proportion of the domestic workers sampled is also interviewed, to verify that they receive the rates reported by their employer.

The wage rate data are analyzed by the Farm Placement staff and a report is prepared, in accordance with Department of Labor instructions. All comparable rates are grouped, and for each grouping the single rate paid to 40 percent or more of the workers is identified as the prevailing rate. If no one wage rate is received by 40 percent of the workers, then the range of wage rates received by the highest paid one half of the workers is identified as the prevailing range of rates.

If the wage pattern discloses that the use of contract foreign workers has an adverse effect on the wage rates offered to domestic workers, the Department does not make a wage finding but calls the adverse effect to the attention of the Secretary of Labor for appropriate action.

The Department of Employment publishes a Notice of Wage Finding setting out the rate or range found to prevail in the crop activity. This Notice is sent to affected farm labor associations and immigration authorities, and copies are posted in Department of Employment local offices, in post offices, in county court houses, and in agricultural extension service offices.

Copies of the wage survey and the Notice of Wage Finding are also sent to the United States Department of Labor. Upon receipt, the Department of Labor reviews the survey and finding and confirms or modifies the finding by issuing a wage determination.

State of California
Department of Employment

CALIFORNIA'S PARTICIPATION IN THE ANNUAL WORKER PLAN

The following is a description of the Annual Worker Plan, its objectives, how it operates, and planned participation by the State of California in the Program:

1. What the Annual Worker Plan is

   The Annual Worker Plan is a coordinated program of service to migratory workers and employers for recruiting and scheduling migratory crews to a series of successive jobs in agriculture and related industries. It includes:

   (a) The pre-seasonal and in-seasonal arrangement of employment schedules for domestic migrant farm labor crews and families to work for specific periods for specific employers or groups of employers in specific agricultural areas.

   (b) The rendering of a placement service to supplement the pre-season and in-season scheduling and information service.

2. Objectives of the Annual Worker Plan

   The Annual Worker Plan has two primary objectives and they are so closely dependent one upon the other that they are in fact one objective. These two objectives are to:

   (a) Serve farm employers by insuring that their labor needs for specified numbers of workers on specified dates will be met, and thereby effect maximum utilization of the domestic labor supply and minimize the extent to which farmers must depend upon supplemental foreign contract labor.

   (b) Assure domestic workers wherever they be, the maximum priority on farm jobs in which they, the workers, are interested wherever in the country the jobs be.

   The agricultural labor force includes a large number of intrastate and interstate migratory workers and it is to assure full utilization of this

source of labor supply that the Annual Worker Plan came into being. The "Plan" is not new, but California has not heretofore participated in the positive manner in which it will participate in the immediate future.

3. How the Annual Worker Plan Operates

After a state employment service determines that it has developed all of the available farm workers within its own borders, a policy of full utilization of domestic workers dictates that it turn its attention to other states as a potential source of farm labor.

The operational basis of the Annual Worker Plan is a "special recruiting agreement" between one or more labor supply states and one or more labor demand states. This agreement usually describes operating mechanics to be followed in similar planning of pre-season, in-season, and post-season operations; communications; clearance (between the participating states) of employer order for workers; the actual recruitment process; transportation and housing arrangements; and the exchange of labor market information.

Under the special recruitment agreement, members of the public employment service staff of the state which needs the labor go to the state which is expected to supply the labor and begin the actual recruitment of available migratory farm workers.

Summarized, what occurs is this:
Placement interviewers who know the kinds of labor which will be needed, where it will be needed, and when it will be needed, interview farm labor crew leaders and/or family heads and obtain the necessary information as to job qualifications of members of the crew or family, where and in what crops they wish to work, and the period during which they will be available.

The placement interviewers then schedule each crew or family which wishes to be scheduled in the manner most likely to:

(a) Have workers on the job when needed,

(b) Effect an orderly, season-long progression of the migratory workers concerned from job to job and thus provide them with the maximum number of days of employment and eliminate costly futile searches for work.

The initial scheduling is tentative in that many factors which cannot be planned in advance affect crop growth and harvest timing. One of the most important functions of the state job placement service, therefore, is to keep workers informed of changing conditions and assist in every way possible in keeping schedules current (and, of course, to locate other workers when a scheduled crew or family cannot keep to its schedule, as well as to locate other employment when the employer cannot keep his commitment).

The Federal Government, through the Bureau of Employment Security of the Department of Labor, assists the states, where necessary, in the organization and conduct of Annual Worker Plan recruitment activities. Other Federal functions include the prescribing of minimum operational standards; providing labor demand and supply information; coordinating the interstate activities of information stations; and reviewing the states' operation of the Annual Worker Plan to insure that Federal standards are being met; and, in general, assisting in the interstate coordination of the program.

The following quotations taken from the "Farm Labor Fact Book", published by the United States Department of Labor give an overview of migrant patterns throughout the United States:

"There is no one travel pattern which migrants follow...(but) there is an identifiable over-all design, or series of major travel routes that may justifiably be referred to as patterns of migration...Beginning not long after the opening of the season and continuing to near the end of the season...movements extend across county and state lines. The movement starts in the South--in Florida and Georgia; in Texas, Louisiana and Mississippi; and along the southwestern border. It rapidly grows in speed and size, bursts over state borders, and spills out over the rest of the United States. Then, as the season declines, these outpourings gradually recede back into the states that spawned them.

"There are five major patterns, and a lot of minor ones:

"1. The east coast movement begins during the winter, with the migration of farm workers out of the Southeastern States to work in the Florida harvest. There it joins with farm workers living in Florida, and is further swollen by the addition of others from Puerto Rico and Texas. With Florida as the jumping-off ground in the spring, and gathering unto itself additional numbers on the way, it moves up the coast. Some parts eventually reach into New England. From September on through the fall, the movement recedes, until it is localized in Florida about December. This movement is made up chiefly of Negroes, traveling either in personally owned automobiles, or buses and trucks owned by crew leaders. About 50,000 workers are involved.

"2. The sugar-beet and fruit movement begins in Texas in April, and flows up into the North Central, Mountain, and Pacific Northwest States. Because there is little work in sugar beets after mid-July, the workers move into other crops and States. Some 75,000 workers, almost entirely of Mexican descent, are involved annually in this migratory movement.

"3. The wheat and small-grain harvest movement also starts in Texas, in the high rolling plains area of the Panhandle. It works north, in the form of combine crews, ending in Montana, North Dakota, and even in Canada. About 50,000 men are involved. Most of their work is related to machine operation.

"4. The Southwest's cotton-harvest movement also originates in Texas. Starting in the Lower Rio Grande Valley, the people move first up through Texas, and then westward into New Mexico, Arizona, and southern California. The movement lasts through July to late December, and involves some 100,000 interstate and intrastate workers, chiefly of Mexican descent, traveling in groups, together with their families.

"5. The Western States movement involves over 100,000 workers, chiefly in Southern California and other Pacific Coast States, who work up and down the Pacific coast on the harvesting of a wide diversity of crops, chiefly vegetables, fruits, and nuts. Their harvest work lasts approximately from May through December."

4. Employer Participation

Those states which in the past have benefited most from the Annual Worker Plan have been those in which farm employers have given strong support to state employment security agencies' efforts to recruit workers for them from other localities by:

(a) Providing transportation to out-of-state migratory farm workers.

(b) Providing good family housing to migrant workers.

(c) Participating, at their own expense, in the recruitment and scheduling of migrant workers by sending their own experienced interviewers along with state employment service interviewers.

That the Annual Worker Plan can be productive is evidenced by the fact that one state has recruited several thousand workers in a year by its use and another state consistently has contributed substantially to the successful cultivation and harvest of its sugar beet crop by participating.

5. What the Department of Employment is Planning to do

As indicated in the foregoing, California heretofore has not engaged in intensive recruitment of migratory farm workers in other states. This has been true for two basic reasons:

(1) Past policy decisions were that California would not engage in out-of-state recruitment under the Annual Worker Program, but would assist in scheduling crews and families which initiated such requests through other state employment security agencies;

(2) Difficulties encountered in synchronizing and reconciling the Annual Work Program with California's laws regulating the operations of labor contractors.

Department of Employment policy now calls for positive and aggressive participation in the Annual Worker Plan to the maximum extent possible. The Department is cooperating with the Department of Industrial Welfare in an attempt to reconcile the conflicts existing between the program and the State labor laws. At the outset, participation in the program will necessarily be limited until these areas of conflict have been completely identified and reconciled.

It is not anticipated that California's full, positive participation in the Annual Worker Plan will by any means meet all of this state's farm labor needs. It is believed, however, that such participation offers a substantial potential for helping meet those needs by:

(a) More efficiently using the workers who migrate into the Far West each year, with parallel benefit to the migrant workers themselves.

(b) Encouraging employers to provide family housing, transportation, and, in general, appreciate the true value of this labor supply source, so that such additional workers who may be readily available, if conditions are conducive, will migrate if they are recruited and helped to schedule their farm job itineraries.

Accordingly, the Department of Employment now is preparing to conduct a thorough 1960 inventory of farm jobs, reanalyze the entire farm labor supply picture, and will do all within its power to solicit the full participation and support of California agriculture.

In the spring of 1960, when the major patterns of migrations out of Texas into the Far West begin to shape up, representatives of the California Department of Employment and, it is hoped, of interested employers, will be on the scene in Texas to recruit and schedule migrant farm workers under the 1960 Annual Worker Plan. At the same time, we shall be preparing to reap maximum benefits from orderly recruitment and scheduling of workers who may become available next season under the Pacific Coast interstate migrant worker pattern described in the foregoing.

JAMES MURRAY
Acting Secretary

California Citizens Committee
For Agricultural Labor

821 Market Street, Room 722 • San Francisco 3, California

Telephone: YUkon 6-0394

January 26, 1960

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LEGAL ASPECTS OF LEGUSLATIVE DISCRIMINATION AGAINST AGRI_ CULTURAL LABOR

Statement of JAMES MURRAY, Acting Secretary, CALIFORNIA CITIZENS COMMITTEE FOR AGRICULTURAL LABOR.

Compulsory Workmen's Compensation was enacted in 1913 in the "Boynton Act". It excluded "farm labor".

That act was attacked in Western Indemnity Company vs. Pillsbury (1915), 170 C686, 151 P398, upon the ground that the exclusion of persons engaged in farm, dairy, agricultural, viticultural or horticultural labor and in stock and poultry raising involved an arbitrary discrimination by the Legislature against farm labor contrary to the "due process of law" and "equal protection" clauses of the United States Constitution (Amendment XIV, Section 1). The section declares:

> "...no State...shall...deprive any person of life, liberty or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

In the Western Indemnity case (supra), the Court said:

> "A...serious question is presented by the exclusion of employees in the various branches of agricultural pursuits...but, here, too in view of the very liberal rules established by our decisions; it must be held that the law making body might reasonably have found

contd....

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C. J. HAGGERTY (Secretary-Treasurer, California Labor Federation, AFL-CIO)
CLIVE KNOWLES (International Representative, United Packinghouse Workers, AFL-CIO)
FATHER DONALD McDONNELL (Director Region II National Catholic Rural Life Conference)
MAX MONT (Executive Director, Los Angeles Conference on Immigration and Citizenship)
ANTHONY RIOS (President, Community Services Organization)
TREVOR THOMAS (Executive Secretary, Friends Committee on Legislation)
FRANKLIN WILLIAMS (West Coast Secretary, National Association for the Advancement of Colored People)

that the conditions of agricultural...employment were so far different from those surrounding other employments as to justify the limiting of the new compensation law to those other employments."

And, later, the Court said in the same decision:

"Unless the classification is palpably arbitrary, it must stand. The respondent suggests various grounds which might well have guided the Legislature in making the exceptions complained of, as that farm laborers...are, as a rule, engaged in 'open and detatched employments' under conditions 'largely created and controlled by them' and, for these, and other reasons, less likely to produce injuries."

For these reasons, the Court upheld the discrimination created by the Legislature in the "Boynton Act". That was in 1915.

The exclusion of farm labor from Workman's Compensation continued in California until 1959.

In Stats. 1959, C.505, p-, Sec. 1, the Legislature deleted from Labor Code Section 3352 the exclusion:

"(b). Agricultural Employment. Any person employed in farm, dairy, agricultural, viticultural or horticultural labor, or in stock,or poultry raising where the compensation provisions of this division are rejected, or do not apply, in accordance with Chapter 9 of this part."

By this change, it must be said that the Legislature overruled the rule in Western Indemnity Company vs. Pillsbury and concluded that the conditions of agricultural employment are not different from those surrounding other employments. The discrimination, the Legislature must have concluded, had become arbitrary and, consequently, violative of the "due process" and "equal protection" clauses.

Thus, the statutes which presently discriminate against farm labor are subject to attack because, our Committee argues,

there is no reasonable ground upon which to base the discrimination.

Section 625 of the Unemployment Insurance Code was not amended at the 1959 Legislative Sessions. That section says:

"'Employment' does not include agricultural labor".

However, section 626 of the same Code, defining agricultural labor, was amended, indicating a legislative intent to affirm the discrimination.

Agricultural labor is likewise excluded by Section 625 of the Unemployment Insurance Code from the provisions of Part 2 of Division 1 of that Code, Disability Compensation.

Minors in agriculture are excepted from the hours of employment provisions of the Labor Code. See Section 1394, permitting minirs to work for 48 hours in one week.

There are many more examples of discrimination involving workers in agriculture.

What is the Legislature's basis for the continued discrimination?

The California Citizens Committee for Agricultural Labor does not believe there are any reasonable bases for the continued discrimination against agricultural labor. Our committee invites yours to obtain from those interested in continuing legislative discrimination, from within the Legislature and without, their reasons for supporting discriminatory legislation--reasons that would withstand a judicial test of the constitutuionality of the discriminatory statutes, if they have any.

Today, the condition of agricultural workers who are citizens or residents of California must be considered in relation to the condition of Mexican Nationals imported into California under

Public Law 78. These aliens enjoy greater benefits than our law provides citizens and residents.

These aliens enjoy a guaranteed wage; they receive on-the-job insurance and off-the-job insurance against accidents; they must be paid a "prevailing wage"; they receive transportation benefits; they may elect a representative for collective bargaining.

In order for the Legislature validly to classify, the classification must rest on some substantial, inherent and intrinsic difference or distinction in the relation of the particular class toward the lives, safety, property, health, happiness or convenience of the public, when contrasted with the relations, duties, responsibilities, position or situation of other persons or classes toward the same matters of public concern Mansur vs. Sacramento, 39 CA2 486, 103 P2d 221.

What are the material differences and substantial distinctions between agriculture and other industries? Is the fact that some of the work is seasonal a basis for discrimination? The California Legislature does not think so or it would not have included cannery workers in the Unemployment Insurance Act or fieldworkers in the Workmen's Compensation Act.

Is the fact that there would be an economic detriment to employers a basis for discrimination? If that were a reasonable basis for classification, there would be no valid social legislation at all. Moreover, it would be the field worker who pays for unemployment insurance, not the employer. And a reasonable classification must be made only for the public good, rather than merely for the economic convenience of one class of employers. Balancing the public good against the desire of the employers,

would there not be more benefits to the public at large by the extension of unemployment insurance to agricultural workers, as an example, than detriment to the employers?

Is the fact that the farmers' bookkeeping system would be more burdensome a reasonable basis for classification? The United States Congress did not think so when it extended Social Security (a pension after age 65) to farm laborers.

Is the fact that some agricultural laborers are migrants a reasonable basis for discrimination? It cannot be for there are many industries in which work is "casual"--many seamen, longshoremen, cannery workers, loggers and others are "casual" workers and benefits of social legislation are extended to them.

What, then, is the reason why agricultural workers are historically placed in a different category than other workers?

Constitutionally, there is no reason now, if there ever was a reason.

Politically, the reason, in California, is that there are 58 counties and that most, if not all, are predominantly agricultural and the organized agricultural interests have always insisted, as they still do, that their workers be excluded from legislation affecting employees generally; the California Legislature has always acceded to the demands of the agricultural industry.

By extending the benefits of <u>all</u> social legislation to agricultural workers the entire State would be benefited because more workers would be expected to join the agricultural labor forces and fewer aliens, if any at all, would be needed for alleged "shortages". The principal purpose of the California Citizens Committee for Agricultural Labor is to assist in the stabilization of farm

workers) by extending social legislation to farm workers, we feel that a great stride towards stabilization would have been achieved.

To discriminate against domestic agricultural workers and them to declare a "shortage" which must be filled by foreigners is surely a most flagrant denial of "equal protection" of the laws.

R. JOHNSEN

INTRODUCTION

Chairman Cobey and members of the Senate Fact Finding Committee on Labor: My name is Richard Johnsen, Jr. I am Executive Secretary of the Agricultural Council of California, a private, unincorporated, non-profit association of farmers' marketing, purchasing, bargaining and service cooperatives operating in California, which are entirely owned and controlled by their producer-members.

The subject on which your committee has asked us to present some data is, "The Competitive Position of California Agriculture." Certainly this is a big subject, and much of the testimony already presented to this committee has been concerned with the factors affecting this competitive position. We shall endeavor not to be too repetitious.

SIZE AND IMPORTANCE OF CALIFORNIA AGRICULTURE

Measured by almost any standards, California is and has been for several years the leading state in the nation in the production of food and fiber. Agriculture is one of California's major industries and any drastic changes in the economy of this industry cannot help but be reflected in the total economy of the state.

In total number of crops produced, no other state can approach the more than 200 crops grown on a commercial scale in California. There are very few crops which cannot be successfully grown somewhere within our borders due to our wide range of growing conditions. California is first in the production of more crops than any other state, (some 29 crops), and produces almost the entire nation's supply of domestically grown almonds, figs, olives, dates, artichokes, walnuts, and lemons.

According to USDA figures, California produced 8.43% of the total cash receipts from farm marketings in the United States during 1958. (Comparative

figures on cash receipts by states will be found on Chart A. It is interesting to note on this chart the relatively small amount of government payments received by California farmers in relation to farmers in other states.)

The value of crops produced in California has created over $2.5 billion in new wealth annually to this state for the past seven years, and through allied industries, agricultural production contributes an estimated $10 billion annually to this state's economy.

In this report we don't want to take the time to give specific examples of the importance of agriculture in terms of purchases of other supplies, use of services, etc. Some of this material has already been presented in other testimony. But we would urge that each member of this committee obtain, and carefully study a University of California pamphlet entitled, "Some Facts About California Agriculture." Figures contained in this pamphlet will substantiate that agricultural production, processing, transporting, and marketing vitally affect the lives of a large portion of our state's population and our state's economy. Any actions which may tend to materially reduce agricultural production in this state should be carefully weighed in this light.

REVIEW AND ANALYSIS OF MAJOR COMPETITIVE FACTORS

Land: California has historically enjoyed a competitive advantage over most other agricultural producing areas of the nation and the world in the availability of vast acreages of fertile, well-drained soils which, when properly prepared and worked, have allowed California farmers to outproduce most competitors.

This advantage is being rapidly eliminated in two ways. First, as the exploding population of this state ravages and forever removes from production some of our most fertile lands. It is estimated that 100,000 acres of farm-

land are being removed from production each year.

A second and more insidious factor resulting in the loss of good farm land from production is the unrealistic assessment practices followed in this state, which require land to be assessed upon its market value. This in turn results in confiscatory tax levels which place the farmer in a competitive disadvantage with producers in other areas, and which often force the farmer to sell out and move into less productive areas.

Labor: Despite severe criticism for paying starvation wages and for maintaining slave labor conditions, the undisputable fact remains that California farmers paid the highest average composite farm wage rate of any state in the nation in 1959, with the one exception of Washington State. This rate was $1.165 per hour compared to $1.226 for Washington, and a national average of $.798. (See Chart B - Column 1)

A look at the figures in this chart will show that California is at an extreme competitive disadvantage with farmers in other states when it comes to labor. Not only do our farmers pay more per hour for their labor, but because of our many high labor-use crops, we hire considerably more workers. (Chart B - Column 2)

California farmers spent $466,900,000 on hired labor wages in 1958. This represented 28.78% of their current farm operating expenses, and 16.5% of their cash receipts from marketing their crops. We ask that you compare similar percentages for other states as shown on Chart B - Columns 4 and 5, where for example the state of Texas, highly competitive in the production of citrus, cotton, livestock, poultry, and vegetable crops, spent only 22.2% of their current farm operating expenses for hired labor, and their hired labor expenses accounted for only 12.17% of their cash receipts.

One other factor in this labor picture working to the competitive disadvantage of California farmers is the higher-than-average level of industrial economy in California which reduces the availability of willing and able workers for the more menial tasks prevalent in agricultural work.

Taxes: We have already touched on this point in our discussion on land. We call your attention to a USDA book, "Agricultural Statistics for 1958," which indicates that in 1957 California farmers paid a total of $96,200,000 in farm real estate taxes. This represents an average of $2.71 per acre for the state's farm and range land as compared with a national average of 97¢ per acre. We must remember that a large percentage of this classification of land in California is in unproductive range and pasture, with less than 30% of it composed of our harvested cropland. This situation does not exist to the same degree in our more competitive states. It is estimated that real estate taxes on our 10,000,000 acres of highly productive cropland will average at least $9.00 per acre. These real estate tax figures we have quoted do not include personal property taxes, which are included in figures on total farm property taxes shown on Chart C - Column 2. These figures indicate that in 1957 California farmers paid total property taxes amounting to $112.3 million, or almost $16 million more than the $96 million levied in real estate taxes. By 1958 these taxes had jumped to $119.9 million.

Water: Much of California's farm land is situated in climatic areas where irrigation is absolutely essential if agriculture is to exist and the farmer is to reap any harvest. Accordingly, some 7½ million acres of our 10 million acres of cropland are irrigated. While farmers are usually able to realize several benefits because of this control over much of their season's water supply, it is nevertheless a costly operation which farmers in most other competing areas

do not have to contend with. All such added costs must be compensated for in increased production, better quality, or some other means. If not, they become a competitive disadvantage.

Production Materials: We had hoped to have figures which would show that California farmers use more fertilizer, pest control materials, electricity, and other production supplies per acre, than do farmers in other states. Unfortunately, the only figures available to us are state usage of commercial fertilizer, and total current farm operating expenses, which we have listed on Chart C. A breakdown of the current farm operating expenses, exclusive of hired labor expenses, and also exclusive of taxes, depreciation, interest on farm mortgage, and rent to non-farm landlords, indicates that California farmers spent $9,393 per farm for their production materials in 1958. (Chart C - Column IV) This compares with $3,453 spent by Texas farmers; $4,309 by Florida farmers, and a national average of $3,197. While the amount spent per farm is affected by the average size of farms in the state, California farmers, with the one exception of Arizona, spent considerably more for operating expenses per farm that did all other states. The average size of farms in California was 307 acres as compared to an average size of farms throughout the U.S. of 242 acres, according to the 1954 Census of Agriculture.

Transportation to Market: Perhaps California's biggest competitive disadvantage over the years has been the tremendous distances to the principal markets which because of population centers, are primarily east of the Mississippi. This has been a double-bladed disadvantage, for not only have we incurred greater costs in getting our products to the major markets, but also we have had to pay added transportation charges for much of our production equipment and supplies which have been primarily manufactured in the east.

While rapidly expanding population and industrial growth in California has helped provide our growers with a local market for an ever increasing percentage of their crops, and has resulted in the manufacture of many production items close to home, the fact still remains that sizable proportions of our crops must be shipped over long distances to eastern markets. About 45% of the value of agricultural production in California is in commodities shipped out of state. Our state's farm products account for more than one-third of the state's total rail shipments, and about one-half of the total value of water-borne exports from California ports is directly attributable to agriculture. Not only is this long transportation factor a costly one in terms of freight rates, but it materially affects the quality and therefore necessitates additional quality control expenses as well as affecting the price which our products will bring on these eastern markets.

COMPARATIVE COST OF PRODUCTION DATA:

Net income to the farmer is the result of the yield per acre plus the gross price received less the costs of production. The farmer is able to exercise some control over his yields per acre and a more limited control of his costs of production while in most cases he has very little control over his gross price received.

We have gathered a great deal of statistical material on comparative yields, costs of production and gross prices received for California's farm products versus those grown in other states and countries. We will be happy to make this material available to your committee staff, however in this report we will only use a few crops for examples.

Oranges - California ranks second in the nation in the production of oranges. Our gross dollar volume in 1958 was $97,316,000. Approximately 56%

of California's fresh oranges are sold in the populous north-eastern section of the United States. One of the country's largest fresh orange markets is the Greater New York Area. Comparing costs, which are shown in detail in the following chart, we find that in the 1957-58 year it cost California growers $5.62 to grow, pack, and ship a box of oranges to the New York market while the competing grower in Florida had a cost of only $3.53 per box.

COSTS OF PRODUCING AND MARKETING CALIFORNIA AND FLORIDA PACKED ORANGES *
1951-52 to 1957-58

CALIFORNIA	Year Nov-Oct	1951-1952	1952-1953	1953-1954	1954-1955	1955-1956	1956-1957	1957-1958
NAVS	Cultural Costs	1.37	.97	1.18	1.23	1.24	1.32	1.92
VALS	Cultural Costs	1.04	.86	1.29	1.35	1.28	1.34	1.92
ALL PACKED ORANGES	Picking & Hauling	.37	.37	.41	.38	.40	.42	.46
	Packing	1.07	1.03	1.13	1.03	1.00	1.06	1.16
	Sell & Adv	.24	.20	.23	.23	.25	.25	.28
	Pick, Haul, Pack & Sell	1.68	1.60	1.77	1.64	1.67	1.73	1.90
	Trans to New York	1.71	1.74	1.74	1.74	1.68	1.76	1.80
NAVS	Total Costs Del'd. Mkt.	4.76	4.31	4.86	4.61	4.59	4.81	5.62
VALS	Total Costs Del'd. Mkt.	4.44	4.20	4.86	4.73	4.63	4.83	5.62
	FLORIDA							
ALL PACKED ORANGES	Cultural Costs	.57	.60	.60	.66	.67	.76	.76
	Pick,Haul,Pack and Sell	1.43	1.45	1.48	1.46	1.47	1.55	1.54
	Trans to New York	1.17	1.23	1.24	1.24	1.31	1.36	1.23
	Total Costs Del'd Mkt.	3.17	3.28	3.32	3.36	3.45	3.67	3.53

* Dollars Per Packed Equivalent Box

Source - Statistical Information on Citrus Fruit Industry, 1959 Supplement, Sunkist Growers, Inc.

Cotton: Cotton is California's largest crop, excluding livestock and dairy, and in 1958 had a total value for lint and seed of $298,016,000. Ranking second in the nation, we produced 13.9% of the nation's cotton lint supply and 13% of the cotton seed supply. Domestically, California farmers are primarily competing with the states of Texas, Mississippi, Arkansas and Arizona, However, we must bear in mind that of the total U.S. production of approximately 11 million bales in 1957, almost 8 million bales were exported to foreign markets. This means that over three-fourths of our production is in direct competition with some 27 million bales of cotton grown in foreign countries from which production cost figures are lacking. However, it is common knowledge that their labor, processing and land costs are considerably lower than ours.

California cotton farmers have consistently improved the yield per acre and the quality of cotton produced and therefore have been able to compete successfully in domestic markets even though other states have lower production costs. The following chart shows that California farmers have an average total preharvest, harvest, and ginning cost per acre of $188.40, as compared to the number one producing State of Texas with $63.51 in production costs per acre, and the number three producing State of Mississippi, with $120.98 in such costs.

COMPARISON OF PREHARVEST, HARVEST AND GINNING COSTS
PER ACRE OF COTTON
IN FIVE LEADING COTTON PRODUCTION STATES

	Cotton Acreage Harvested 1957	Total Bales Harvested	Preharvest Costs Per Acre	Harvest and Ginning Costs Per Acre	Total Cost Per Acre
Texas	5,905,000	3,632,000	$ 38.80	$ 24.71	$ 63.51
Calif.	711,000	1,537,000	114.00	74.40	188.40
Miss.	1,335,000	1,081,000	48.66	72.32	120.98
Ark.	1,130,000	981,000	not avail.	48.69	---
Ariz.	352,000	763,000	127.30	62.90	190.20

Sources: USDA Agricultural Statistics, 1958
Agricultural Extension Service Reports from respective states.

In addition to the competition from other states and foreign countries, the California cotton farmer faces increasing competition from synthetic fibres. Since the end of World War II, synthetic fibres have consistently been securing a larger percentage of the total fibre market. Chart D, which is attached, graphically shows this growth in the use of synthetic fibres and the resultant decline in cotton use. In 1945, 75.4% of all fibre used was cotton, while rayon and acetate had 12.9% of the market and other synthetics had .8% of the market. We all know of the growth of new synthetics for use in a large variety of products. During 1958 cotton use had dropped to 65.5% of the market, while rayon and acetate had increased to 18.8% and other synthetics grew to 9.8% of the market.

The fact that the California farmer can secure high yield per acre and maintain high quality of fibre means little if his production costs price the product out of a market.

Peaches: California's cling and freestone peaches were very much in the news last summer as warm weather speeded the ripening of the crop and a shortage of labor developed a harvesting crisis that hit the headlines of many newspapers. Peaches are a highly perishable crop which take a year of land, orchard, and fruit preparation before they can be harvested. Harvesting then must be done within a few days or the fruit falls to the ground, a complete loss.

Twenty-nine states compete with California in the commercial production of peaches. Of these ten states annually produce a million or more bushels of peaches. California unquestionably leads the nation in peach production with an estimated 35 million bushels annually. This constitutes 46% of the nation's production and amounted to 767,000 tons in 1958. In addition to domestic competition, the California farmer is faced with selling to foreign countries about 12.6% of his annual crop which is canned. In foreign countries we meet head-on the competition from peach farmers of South Africa, Australia and South

America. This 12.6% of the crop which is exported is extremely important in stabilizing the domestic market. In effect, it removes much of what could be a price-depressing surplus.

Still another competitive factor for the California peach farmer is the production of the numerous other deciduous fruits. The retail price of peaches on the grocer's shelf is held down by the retail prices of other fruits, such as pears, apricots, pineapple, and applesauce. When filling her shopping basket the housewife is free to, and does, substitute the varieties of canned fruit according to price.

We must recognize that the peach farmer's competition from other fruits, other producing countries, and other producing states is very real and has a decided effect on the prices received by California farmers. In domestic peach production the figures on cost per acre, labor costs and prices received in the three states of California, Georgia, and New York are very interesting, as indicated in the following chart.

		New York	Georgia	California
1/ Growing and harvesting costs per acre		$341.44	$255.84	$400.00
2/ Average price returned per bushel to farmer	1946-1955 ave.	2.12	2.97	1.59
	1957	3.25	3.10	1.63
3/ Ave. hourly composite wage rates July quarter	1958	.96	.49	1.11
	1959	.97	.50	1.14

1/ Agricultural Experiment Stations in respective states.
2/ "Agricultural Statistics, 1958" USDA
3/ "Farm Labor" USDA, Agricultural Marketing Service

In reviewing statistics on peach harvest costs, many interesting facts were developed. As you know, much has been said in previous hearings about the

farmer's reluctance to increase wages. So far as the peach farmer is concerned, this fallacy is forcefully disproved in accompanying Chart E, which shows a twenty-year spread in production costs. In 1938 the peach grower paid his hourly farm laborer at the rates of 30¢ to 50¢ per hour. In 1958 for the same jobs he paid at the rates of $1.25 to $1.40 per hour.

SUMMARY

In this brief report we have tried to point out the importance of agriculture to California's entire economy and to the nation's food supply. In addition, we have endeavored to focus attention on the major competitive factors facing California farmers. In summary, these briefly are:

1. The high cost of land and the competition for land.
2. The comparatively high rate of taxation on farm lands.
3. The preponderance of high labor-using crops with the non-farm competition for qualified labor, which results in a comparatively higher cost for farm labor.
4. The pioneering leadership in research developments to produce higher yields and improve quality of products which have resulted in the greater than average need for and use of production supplies such as water, fertilizer, pesticides, and mechanical equipment.
5. The higher costs of transportation due to the greater distance from populous markets.

We trust that this Senate Labor Fact Finding Committee will in its deliberations bear in mind the competitive position of the California farmers in the marketing of their perishable crops. We must remember that the farmer is still the only segment of our economy that buys all production supplies at retail and

sells all of the fruits of his investment and labor at wholesale. As you know, all farmers are not rich, nor are all farmers going broke, but they are independent business men who want to control their own operations with a minimum of interference. Among other things they take advantage of State and Federal enabling marketing legislation and band together in farmer cooperatives to help improve their net income.

We hope that this Committee will differentiate between the labor problems and social welfare problems that have been intertwined in testimony presented before it. A healthy agriculture is essential to California's prosperity, and we trust that foolhardy legislation to solve isolated problems will not be reccommended or enacted. We must look at the entire picture and act for the good of all agriculture and our State.

Throughout the years agriculture has voluntarily done much to improve working conditions and so-called "cleaning of its own house." Undoubtedly these legislative hearings have done much to open the eyes of farm leaders to the fact that there are still areas where correction is needed. We pledge the help of the Agricultural Council of California and feel confident that other farm organizations will join in an effort to voluntarily correct and improve farm working conditions in line with economic reality.

Thank you.

Chart A

CASH RECEIPTS FROM FARMING -- BY STATES 1/

	I	II	III	IV	V	VI
	Cash Receipts From Farm Marketings			Government Payments		TOTAL
	1958 1,000 dol.	% of U. S.	% from crops	1958 1,000 dol.	% of Col. I	1958 1,000 dol.
California	2,829,463	8.43	62	23,329	.82	2,852,792
Iowa	2,559,999	7.63	18	59,429	2.32	2,619,428
Texas	2,372,620	7.06	61	122,188	5.15	2,494,808
Illinois	2,083,779	6.21	37	41,342	1.98	2,125,121
Minnesota	1,467,752	4.37	11	41,720	2.84	1,509,472
Nebraska	1,247,744	3.72	38	36,941	2.96	1,284,685
Kansas	1,183,598	3.53	53	34,965	2.95	1,218,563
Wisconsin	1,117,675	3.33	10	19,683	1.76	1,137,358
Missouri	1,092,419	3.26	31	61,141	5.59	1,153,560
Indiana	1,089,552	3.25	32	38,018	3.49	1,127,570
N. Carolina	1,010,660	3.01	69	37,538	3.71	1,048,198
Ohio	983,635	2.93	35	33,922	3.45	1,017,557
New York	849,623	2.53	27	9,095	1.07	858,718
Pennsylvania	784,823	2.34	23	10,854	1.38	795,677
Georgia	720,709	2.15	43	48,413	6.72	769,122
Michigan	714,118	2.13	43	25,592	3.58	739,710
Florida	688,989	2.05	72	7,907	1.15	696,896
N. Dakota	658,298	1.96	67	27,260	4.14	685,558
Arkansas	596,491	1.78	61	31,448	5.27	627,939
Washington	573,028	1.71	62	6,547	1.14	579,575
Mississippi	543,872	1.62	51	43,725	8.04	587,597
Montana	440,924	1.31	45	12,850	2.91	453,774
Arizona	435,582	1.30	62	5,163	1.15	440,745
Oregon	400,567	1.19	52	6,441	1.61	407,008
Louisiana	361,555	1.08	55	29,702	8.22	391,257
S. Carolina	336,292	1.00	69	33,062	9.86	369,354
New Jersey	314,062	.94	39	2,733	.87	316,795
U. S.	33,559,732		44	1,089,431	3.25	34,649,163

1/ "The Farm Income Situation" September, 1959, page 33
Published by Agricultural Marketing Service, U.S.D.A.

Chart B

FARM WAGE RATES and HIRED LABOR EXPENSES

	Composite Farm Wage Rate Per Hour, 1959 1/	Hired Labor -- 1958 2/ Average Number On Farms 1/	Expenses 1,000 dol.	As % of Current Operating Expenses	As % of Cash Receipts
California	$1.165	227,000	466,900	28.78	16.50
Iowa	.938	40,000	70,900	5.26	2.77
Texas	.740	173,000	288,700	22.20	12.17
Illinois	.859	52,000	92,400	9.05	4.43
Minnesota	.898	39,000	57,800	7.99	3.93
Nebraska	.895	24,000	43,500	7.00	3.49
Kansas	.892	27,000	43,300	7.00	3.66
Wisconsin	.840	32,000	63,100	11.75	5.65
Missouri	.739	47,000	57,100	10.31	5.23
Indiana	.791	29,000	45.400	7.88	4.17
N. Carolina	.610	104,000	88,300	18.70	8.74
Ohio	.799	40,000	59,400	11.20	6.04
New York	.892	65,000	124,000	22.43	14.59
Pennsylvania	.816	41,000	74,600	13.96	9.51
Georgia	.518	52,000	56,500	12.47	7.84
Michigan	.842	42,000	64,000	16.65	8.96
Florida	.659	50,000	99,400	28.49	14.43
N. Dakota	.864	22,000	35,200	15.32	5.35
Arkansas	.637	91,000	72,000	21.16	12.07
Washington	1.226	39,000	75,100	24.19	13.11
Mississippi	.471	59,000	47,700	15.85	8.77
Montana	.902	14,000	30,300	17.27	6.87
Arizona	.892	67,000	75,400	27.72	17.30
Oregon	1.137	29,000	56,100	24.79	14.01
Louisiana	.570	62,000	47,900	23.95	13.25
S. Carolina	.434	66,000	41,100	22.73	12.22
New Jersey	.922	21,000	50,000	23.30	15.92
U. S.	.798	1,955,000	2,885,000	15.88	8.60

1/ "Farm Labor" United States Department of Agriculture, January, 1960

2/ "Production Expenses of Farm Operators by States -- 1949-1958" United States Department of Agriculture, October, 1959

Chart C

FARM PRODUCTION EXPENSES

	I	II	III	IV	V	VI
	1958					
	1/ Farm Operating Expenses	Taxes on Farm Property	Total Production Expenses	3/ Operating Expenses, Per Farm	Commercial Fertilizers Used, 1956	No. of Farms, 1954 Census
	(Million Dollars)				Tons	
Calif.	1,622.3	119.9	2,035.5	$9,393	2,128,138	123,000
Iowa	1,347.8	105.9	1,850.3	6,616	468,212	193,000
Texas	1,300.4	59.1	1,682.8	3,453	595,391	293,000
Ill.	1,021.2	135.0	1,541.3	5,277	1,368,962	176,000
Minn.	723.8	79.0	1,084.8	4,036	426,147	165,000
Nebr.	621.6	60.6	901.7	5,724	169,732	101,000
Kansas	618.5	64.5	924.8	4,793	211,848	120,000
Wis.	537.0	61.7	832.6	3,077	426,477	154,000
Mo.	553.9	36.5	775.1	2,459	802,276	202,000
Ind.	575.9	54.1	847.0	3,445	1,086,906	154,000
N. C.	472.1	16.6	647.0	1,432	1,567,297	268,000
Ohio	530.4	58.6	814.6	2,661	1,035,697	177,000
New York	552.8	38.6	726.1	4,045	578,076	106,000
Pa.	534.2	26.3	711.9	3,563	634,322	129,000
Ga.	453.2	12.6	589.2	2,390	1,293,442	166,000
Mich.	384.3	31.7	583.4	2,304	636,695	139,000
Florida	348.8	16.5	436.6	4,300	1,477,118	58,000
N. D.	229.8	27.1	424.8	3,139	81,745	62,000
Ark.	340.2	11.3	431.4	1,850	326,238	145,000
Wash.	310.4	18.3	434.6	3,620	184,575	65,000
Miss.	301.0	10.9	406.0	1,173	746,505	216,000
Mont.	175.4	22.5	272.2	4,397	43,920	33,000
Ariz.	272.0	10.4	311.7	21,844	178,103	9,000
Oreg.	226.3	23.4	321.2	3,152	218,069	54,000
La.	200.0	6.2	271.1	1,370	288,566	111,000
S. C.	180.8	7.1	254.3	1,127	818,066	124,000
N. J.	214.6	15.0	271.9	7,157	268,506	23,000
U.S.	18,172.0	1,346.0	25,152.0	3,197	22,224,217	4,782,000

1/ This includes costs for feed, livestock, seed, fertilizers, repairs, hired labor and miscellaneous.

2/ This includes all items in Columns I and II plus depreciation, interest and rent to non-farm landlords.

3/ This represents, on a per-farm basis, Col. 1 of this chart, minus hired labor expenses as shown in Chart B.

Sources of this material are: Cols. I, II, and II, "Production Expenses of Farm Operators by States, 1949-1958," USDA, October, 1959; Col. V, "Agricultural Statistics, 1958" USDA; Col. VI, "Statistical Abstract of the United States" 1958 edition.

Chart D

ANNUAL PERCENTAGE OF TOTAL UNITED STATES USE OF FIBRES

Year	Cotton	Other Natural Fibres	Rayon and Acetate	Other Synthetics
1945	75.4	10.9	12.9	.8
1946	74.0	11.7	13.5	.8
1947	72.7	11.1	15.4	.8
1948	69.8	11.1	18.0	1.1
1949	70.6	9.4	18.3	1.7
1950	68.5	9.6	19.8	2.1
1951	71.1	7.4	18.6	2.9
1952	69.6	7.5	18.9	4.0
1953	69.0	7.8	18.9	4.3
1954	68.8	6.5	19.2	5.5
1955	65.7	6.5	21.3	6.5
1956	67.0	7.1	18.5	7.4
1957	65.7	6.2	19.0	9.1
1958	65.5	5.9	18.8	9.8

Chart E

Cost of Producing 30 Acres of Cling Peaches in California
Sacramento Valley
These sample costs are typical of better orchard - not average cost

	1938 10 tons/acre Hrs.	$/Hr.	Cost/A.	1958 13 tons-acre Hrs.	$/Hr.	Cost/A.	per cent increase
MAN LABOR HOURS							
Hand work, prune, thin, pick	29 hr./T	$ .30		20 hr./T	$1.25		Productivity Increase 47%
Skilled Irrigate Drive tractor		.30			1.45		
Total	293 hrs.		$87.90	261 hrs.		$331.45	277%
Tractor - Oper.	11	.50	5.50	12	1.40	16.80	
Truck - Overhead	13	.60	7.80	11	1.70	18.70	
	24		13.30	23		35.50	166%
TOTAL LABOR & FIELD POWER			$101.20			$336.95	262%
MATERIAL COSTS Sprays Fertilizers Other							
Total			$ 26.69			$ 63.13	136%
OTHER COSTS General Expense County Taxes Repairs Compensation Insurance							
Total			$ 16.09			$ 51.00	216%
Total Cash Costs			$143.98			$481.08	235%
Depreciation			34.25			73.50	
Interest			24.80			102.00	
			59.05			175.50	197%
GRAND TOTAL (all cost per acre)			$203.03			$656.58	223%

Source: University of California Extension Service - Arthur Shultis

H. ANGIER

STATEMENT

BEFORE THE

SENATE FACT FINDING COMMITTEE
ON LABOR AND WELFARE

OF THE

CALIFORNIA STATE LEGISLATURE

PRESENTED BY

HAROLD ANGIER, GENERAL MANAGER

CALIFORNIA GRAPE AND TREE FRUIT LEAGUE

717 MARKET STREET, SAN FRANCISCO, CALIFORNIA

FRESNO, CALIFORNIA
JANUARY 26, 1960

I, Harold Angier, general manager of the California Grape and Tree Fruit League, 717 Market Street, San Francisco, California, make this statement in behalf of California growers and shippers of fresh deciduous tree fruits, berries and grapes.

Members of this League produce, harvest and market, in interstate and foreign commerce, approximately 85% of the California production utilized for fresh consumption. The annual volume of fresh deciduous fruits shipped out of California is the equivalent of approximately 50,000 railroad refrigerated carlots.

The purpose of this statement is to answer, in part, the question: "What is California agriculture?" We are presenting facts, all of which are readily available in various publications of the United States Government and the various California State Departments. The facts are presented in this form to obviate the necessity for lengthy research.

One of the most comprehensive publications on "What is California agriculture?", inasmuch as the question is related to the fresh fruit and nut industry, is one that cannot be briefed for presentation to this Committee. The book is entitled "The Where and When of California Fruit and Nut Crops". It is published by the Division of Agricultural Sciences of the University of California, and is submitted to the Committee by the California Grape and Tree Fruit League as an Exhibit. Additional copies can be purchased from the University for a nominal fee. And although this Exhibit was published in December, 1955, it contains basic, factual data on this segment of California agriculture.

Map 1 of the Exhibit is of special importance. The chart at the foot of the page indicates clearly the intensive harvest season of the deciduous tree fruit and nut crops. The other Maps show the production areas and harvest seasons of various crops. And from Map 16 it can be seen that in the case of Freestone peaches, the harvest season simultaneously covers an area from Yolo County to Riverside County.

The seasonal harvest periods shown on these Maps are actually typical, but the concentrated harvest season could vary by as much as two weeks from that shown because of fluctuating growing and maturity conditions.

It is clear then that weather is an important factor confronting the California deciduous tree fruit farmer. This is a seasonal industry, completely subject to the caprice of Nature. When the fruit ripens, it must be picked, packed, cooled and shipped or placed in cold storage without delay or it is a complete loss to the producer. The hours of employment involved in these activities are not the choice of the employer or the employee. They are governed by the volume of fruit and the speed of ripening. As shown in the League Exhibit, harvest seasons run from a minimum of ten days to a maximum of four months, depending on the number of varieties and the kinds of fruit being packed in any given packing house in a specific location.

86% of California fresh grapes are marketed in interstate and foreign commerce. 70% of all California fresh deciduous tree fruits, berries and grapes are moved to interstate and foreign markets. So another factor confronting California deciduous tree fruit farmers is the distance from California to the traditional markets for these products. Therefore it can be said that these commodities are marketed on a national and international basis, not just a state-wide basis. And in this connection the growers must meet competition from other producing areas. California production of deciduous tree fruits and grapes cannot be consumed locally and the growers must have trans-Continental markets in which they inevitably meet competition from other nearby producing states. They must meet competition from the peach-producing areas of the Mid-West and South, from the apple-producing areas of New York State and Virginia, berries from Michigan and Louisiana, and from a host of home grown fruits that reach the markets at the same time as does the California peak harvest.

And it must be remembered that New York City is California's largest fresh fruit market and is also a major outlet for fresh fruit from eastern and southern competing states. New York City is typical of the competition encountered in smaller eastern markets from other producing states.

Other factors mitigate against the California grower in this national competition for markets. Several major producing states pay wages that are substantially lower than those paid by California growers. And because of the distance to eastern markets, California growers must use more costly packing methods to ensure that the produce arrives in marketable condition.

The California grower is engaged in a continuing struggle to maintain his position in eastern markets. As concrete evidence of the trends and problems facing the California grower in this regard, the following is offered to this Committee.

Table 1 - Interstate Percentage of Shipments of Selected California Fresh Fruits and Grapes, 1946-1957 - indicates that, tonnage-wise, there is an overall trend towards a decline. This is further illustrated by Tables 2, 3, and 4, that show the number of carloads shipped by rail and truck, and also the distribution between rail and truck. Particular note should be taken of recent shifts in the means of transportation from rail to truck. This pattern evidences the growers' and shippers' struggles to maintain and develop outlets in a declining market. And this pattern should be borne in mind when examination is made of further Tables.

The utilization of deciduous tree fruits is shown in Table 5. As this League is concerned with the utilization of fresh deciduous tree fruits, the statistical data presented here is concentrated on this aspect.

The tables mentioned above have indicated the trend towards a decline in interstate shipments of fresh deciduous tree fruits. This has occurred despite an increase in the population of the country. The estimated civilian population of the country for the years 1923 through 1958 is shown in Table 6.

Table 7 lists the country's per capita consumption of fresh fruits other than apples and citrus for the years 1923 through 1957. According to these figures, the population of the country had, in 1957, increased by approximately 50% over the population in 1923. But, during the same period, per capita consumption of these fresh fruits had declined by about 37%.

Regarding the regional distribution of California fresh deciduous tree fruits shipped out of state. Table 8 gives a complete breakdown of the distribution of rail shipments. The tariff groupings are those used by the Interstate Commerce Commission and are as follows :

Groups A & B	New England States New York State Pennsylvania New Jersey Maryland Washington, D. C. Virginia West Virginia Eastern Ohio
Groups C & C-1	Western Ohio Michigan Indiana
Group D	Wisconsin Illinois Northern & Eastern Minnesota
Group E & West	Western and Southern Minnesota Iowa Missouri Arkansas Western Mississippi Louisiana And All States West Thereof
Groups K, K-1, L & M	North Carolina South Carolina Georgia Florida Kentucky Tennessee Alabama Eastern Mississippi

It can be seen that a high percentage of these commodities is shipped to Groups A and B - the New England States, New York State and the eastern states. Shipments to this area alone account for approximately 60% of all California fresh deciduous fruit shipments. Shipments to these two Groups, combined with shipments to Groups C and C-1, Group D, and Group K, K-1, L and M, can be seen to account for over 80% of total interstate

rail shipments. This high percentage going east of the Mississippi has been maintained fairly consistently from 1950 through 1958. The magnitude of these shipments to New York City alone can be seen by examination of Table 9, which sets forth the percentage of total California rail shipments of the principal varieties of deciduous fruits delivered in New York City from 1949 through 1958. It should be noted that the California grower, while maintaining the percentage rate of such shipments, has lost ground as far as the actual volume of fruit sold is concerned.

Table 2, referred to earlier, indicated the shipments made by truck, with Table 3 setting out the gains that have been made by truck transportation versus rail transportation. Table 10 emphasizes the face that the increase in truck shipments has had a far greater impact on the western and mid-western states than on other parts of the country. Growers have made more and more use of trucks for several reasons. Because of the decline in the consumption of California fresh deciduous fruits in the traditional northern and eastern market areas, growers have been forced to look for other outlets. Growers have quickly taken advantage of the improvements in truck equipment that have taken place since World War II. These improvements have allowed for a more flexible operation than does rail transportation. This flexibility came at a time when it was badly needed in order to develop markets unable to handle full rail carload quantities. Growers now frequently ship mixed loads of fruit. Multiple stops can be made for unloading without any great delay in the process. Therefore, the trucks have moved into the transportation of fresh fruits from California to the deep south and the area west of the Mississippi. Furthermore, by using trucks, growers have opened up new markets in the southern and western states that were not available to them before.

Because of long distances from California to the major markets, transportation costs are an item of vital importance to the California deciduous fresh fruit growers and shippers.

Inevitably, these costs have a major impact on California's ability to sell these products in a national market. Table 11 gives the history of rail carlot rates of California fresh deciduous fruits, other than apples, from California to trans-Continental destinations. In the case of fresh deciduous fruit going to Tariff Groups A to C-1, there has been a rate increase of approximately 46% since 1946.

The focal point in marketing California's fresh deciduous fruits is our relationship with competing areas. If California products lose out in any particular market because of the disruption of the competitive balance of costs for transportation or labor or materials, a competing area will inevitably move in and take the market. The Interstate Commerce Commission has recognized, and continues to recognize the importance of maintaining the competitive relationship between producing areas throughout the country. The Interstate Commerce Commission reaffirmed its recognition in Ex Parte 206 (1957), on Sheet 78-79, "Exceptions to the General Basis" under the heading, "Fresh Fruits and Vegetables and Canned Food Products", wherein it is stated:

> "With respect to the increases sought on fresh fruits and vegetables (not cold pack or frozen) and melons, the eastern and western railroads have proposed holddowns on a basis similar to that heretofore used by them in their requests for general increases in rates. We have recognized the need for such treatment in the interest of avoiding too great a distortion of rate relations between growers and shippers of these basic products who have historically been dependent upon distant markets. We have also recognized the need for special treatment to enable them to compete with producers nearer those markets. Experience has shown the propriety of such holddowns." (Underscoring added)

Because the I.C.C. is a purely regulatory body it has been able to maintain the competitive balance in fresh fruit transportation rates by defining fixed rates, not a maximum or a minimum, and continues to maintain the relationship by allowing identical cents per 100 lb. rate increases regardless of the point of origin or destination.

Other costs such as growing, harvesting, and packaging

are also impinging upon the growers' returns. We submit a number of tables verifying this. Table 12 shows the seasonal weighted average auction prices received for grapes and selected deciduous fruits. And here notice should be taken of the fact that the gross price received by growers for a carlot of fresh deciduous tree fruits and grapes has remained static for more than ten years. To further illustrate this point, the gross per shipment (30,000 lbs.) reported by the California Fruit Exchange has averaged $3,119 per carlot equivalent annually over the past twelve years. With the exception of 1949 when Bartlett pears were in great surplus, the average price received per carlot ranged from a minimum of $2,910 in 1951 to a maximum of $3,351 in 1957. The low year, 1949, was $2,498. All other years in the 12 year period ranged from $2,910 to $3,351, which resulted in the 12 year average of $3,119. These figures are based on approximately one-eighth of the total annual interstate shipments of all California fresh deciduous tree fruits and grapes.

Following the auction prices, Table 13 gives a detailed breakdown of the distribution of the auction price and the portion filtering back to the grower. It must be remembered that these commodities are moved to market in interstate commerce and sold for the account of the grower. Under these circumstances, all of the charges for packing, loading, cooling, transportation, and selling are deducted from the grower's account. In other words, the grower bears all the costs and risks until the fruit is sold and delivered to the buyers in the terminal markets. This means that the grower is the one who is directly affected by increased costs, even though such costs are paid by a commercial packer and shipper or a cooperative association. Therefore, Table 12 indicates that the auction price has stayed constant except for nominal variations depending on the size of the crop and competition from other producing areas.

Table 13 indicates that the percentage of grower return from the delivered sale price has tended towards a decline. Indeed, in the case of Elberta peaches, the grower return has

fallen from 25% in 1947 to 13% in 1958; transportation costs have risen from 26% to 32.5% during the same period; packing, loading and precooling have risen from 33% to 35.3%, and harvesting costs from 9 % to 12.2%. In the case of fresh plums, the grower return has dropped from 42% in 1947 to 32% in 1958; harvesting costs have increased from 11% to 13% during the same period, transportation costs have risen from 16% to 20%, and packing, loading and precooling costs from 24% to 28%. Bartlett pear returns follow the same pattern. Grower return has declined from 34% to 25% whereas transportation costs have risen from 22% to 25%; harvesting costs have increased from 8% to 10%, and packing, loading and precooling costs from 29% to 33%.

The "pie" charts, included in Table 14, illustrate the distribution of the auction prices more vividly, and should lay to rest the myth that growers are always grabbing a bigger piece of the pie while the labor portion is becoming smaller - actually the reverse is true. The seasonal hand labor costs of pruning trees and vines, thinning the excess green fruit to produce merchantable quality and size, picking for color and maturity, and packing in the shipping container, represents from one-half to three-quarters of the growers' total cost of production and harvesting. These costly tasks must be performed at the proper time or the entire investment is lost. By the time the average fruit grower has his crop produced, harvested and transported to market, he usually has about all the assets he has accumulated during his lifetime, including a mortgage on his farm, invested in his crop. He must sell the crop for whatever he can get, regardless of whether it results in a profit or loss. Few people realize that farmers frequently receive less than the cost of production for their fruit. But so long as a farmer can cover the costs of picking and handling the harvest and return a few pennies towards his production costs he must harvest the crop to protect his lifetime investment. His growing costs are largely labor costs.

Permanently planted trees and vines must be cared for regardless of the size of the crop on the trees and vines.

Another myth that these Tables prove to be just a myth is that growers have the ability to pass on increased costs to the consumer. This has never been true in the past and is not true today. Consumer resistance to buying California products is stiffened by the availability of products from competing areas and by the availability of competing products. It should always be remembered that California fresh deciduous fruits have no monopoly on the national market.

And one disturbing factor in this picture is the acreage trend in California. Table 15 shows the California bearing acreage of selected commodities from 1940 through 1959. In every instance except peaches there has been a decline in this acreage since 1940. Most of California's increased fruit production before 1930 was due to increased acreage. Since that time, however, any growth in production has been due only to increases in yield per acre. This is not a healthy trend for the State's economy. If the consumption of fresh fruit was keeping up with increased population and purchasing power, new orchards and vineyards would have been planted and more new packing plants built. According to "Agricultural Statistics" published by the U. S. Department of Agriculture, there has been no increase in the production of deciduous fruits in the United States in the past twenty years. These facts should be compared with what has happened in the case of Florida production. During the ten-year period, 1947 through 1956, the United States production of oranges and grapefruit increased over 1.4 million tons per year compared with the previous ten-year period. And the entire increase in production of oranges and grapefruit was attributable to Florida. May we remind you that all fruit is competitive, no matter what its final appearance on the table may be.

Exports must also be considered in this overall picture. After more than ten years of diligent effort, this industry

has recently succeeded in securing relaxation of the restrictions against the import of United States fruits and fruit products in several foreign outlets which had been closed since World War 11 due to foreign exchange difficulties. United States costs are so high with respect to the present value of the U. S. dollar in foreign countries that selling is difficult. Further cost increases will completely eliminate the sales potential in Britain, Western Europe, and South America. This will force more fruit on the domestic market and result in a decline in the price paid to California growers. The importance of the export markets should not be underestimated. And table 16 indicates how far these exports are lagging behind pre-war levels.

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CALIFORNIA GRAPE & TREE FRUIT LEAGUE

LIST OF TABLES

TABLE 1	INTERSTATE PERCENTAGE OF SHIPMENTS OF SELECTED CALIFORNIA FRESH FRUITS AND GRAPES (1946 - 1957).
TABLE 2	STATEMENT OF NUMBER OF CARS OF DECIDUOUS FRUIT SHIPPED FROM CALIFORNIA DURING THE YEARS 1941 THROUGH 1958 INCLUSIVE.
TABLE 3	STATEMENT OF INTERSTATE SHIPMENTS OF DECIDUOUS FRUITS - CARLOT EQUIVALENTS FROM CALIFORNIA VIA TRUCKS FOR THE YEARS 1946 THROUGH 1958.
TABLE 4	PERCENTAGE DISTRIBUTION OF INTERSTATE RAIL CARLOT AND TRUCK CARLOT EQUIVALENT SHIPMENTS, CALIFORNIA DECIDUOUS FRUITS, 1946 - 1958.
TABLE 5	STATEMENT GIVING THE UTILIZATION OF DECIDUOUS TREE FRUITS SHOWING AVERAGES FOR THE YEARS 1946 - 1940 AND 1941 - 1945 AND ANNUALLY 1946 THROUGH 1958.
TABLE 6	ESTIMATED UNITED STATES CIVILIAN POPULATION, 1923 - 1958.
TABLE 7	U. S. PER CAPITA CONSUMPTION FRESH FRUIT OTHER THAN APPLES AND CITRUS, 1923 - 1957.
TABLE 8	DISTRIBUTION OF RAIL SHIPMENTS OF CALIFORNIA FRESH DECIDUOUS FRUIT BY SELECTED TARIFF GROUPS, 1950 - 1958.
TABLE 9	STATEMENT OF PERCENTAGE OF TOTAL CALIFORNIA RAIL SHIPMENTS OF PRINCIPAL VARIETIES OF DECIDUOUS FRUITS DELIVERED IN NEW YORK CITY DURING 1949-1958 INCLUSIVE.
TABLE 10	DESTINATION OF OUTBOUND TRUCK PASSINGS OF SELECTED CALIFORNIA FRUITS - 1958.
TABLE 11	RAIL RATES OF FRESH DECIDUOUS FRUITS (OTHER THAN APPLES) IN CARLOAD LOTS, FROM CALIFORNIA TO TRANS-CONTINENTAL DESTINATIONS. GROUPS A TO J INCLUSIVE.
TABLE 12	SEASONAL WEIGHTED AVERAGE AUCTION PRICES OF SELECTED CALIFORNIA DECIDUOUS TREE FRUITS AND GRAPES.
TABLE 13	BREAKDOWN OF AUCTION PRICES, FRESH ELBERTA PEACHES, FRESH PLUMS AND BARTLETT PEARS, 1947 - 1958 INCLUSIVE.
TABLE 14	"PIE" CHARTS ILLUSTRATING TABLE 13, 1955 - 1958 INCLUSIVE.
TABLE 15	CALIFORNIA BEARING ACREAGE OF SELECTED FRUITS AND NUTS, 1940 - 1959.
TABLE 16	U. S. EXPORTS OF APPLES, PEARS AND GRAPES, 1934-38 AND 1951-55 AVERAGES, 1953 - 1958 INCLUSIVE.

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TABLE 1

INTERSTATE PERCENTAGE OF SHIPMENTS OF SELECTED CALIFORNIA FRESH FRUITS & GRAPES 1946-1957
(Thousand Tons)

	GRAPES			CHERRIES			FREESTONE PEACHES			PLUMS			PEARS		
	Total	Out of State	%	Total	Out of State	%	Total	Out of State	%	Total	Out of State	%	Total	Out of State	%
1946	516.7	461.9	89.4	14.5	9.2	63.4	134.5	52.2	38.8	92.0	75.5	82.1	125.9	94.8	75.3
1947	619.2	551.4	89.1	13.8	8.7	63.0	117.3	45.7	39.0	70.9	57.5	81.1	128.6	99.5	77.4
1948	543.8	470.6	86.5	7.7	5.0	64.9	113.6	46.2	40.7	65.1	52.5	80.6	53.0	32.1	60.6
1949	512.2	450.2	87.9	17.2	8.8	51.2	111.3	48.9	43.9	77.5	59.2	76.4	133.7	105.1	78.6
1950	489.4	433.0	88.5	16.9	11.4	67.5	118.1	64.2	54.4	73.1	59.9	81.9	95.0	74.5	78.4
1951	578.2	507.1	87.7	8.8	6.1	69.3	106.4	55.8	52.4	91.0	70.9	77.9	97.1	75.7	78.0
1952	577.4	512.0	88.7	16.7	10.3	61.7	119.7	65.0	54.3	50.6	39.5	78.1	125.7	101.1	80.4
1953	497.9	433.7	87.1	13.6	9.4	69.1	105.6	58.2	55.1	75.0	60.5	80.7	71.4	61.9	86.7
1954	515.6	455.0	88.2	10.4	7.3	70.2	117.0	60.5	50.5	64.2	51.3	79.9	109.9	83.2	75.7
1955	567.9	495.9	87.3	15.2	10.8	71.1	127.6	83.0	65.0	80.5	65.6	81.5	82.1	61.0	74.3
1956	513.1	445.9	86.9	14.9	10.4	69.8	109.7	58.4	53.2	91.8	75.8	82.6	108.1	84.4	78.1
1957	494.2	427.2	86.4	11.0	7.1	64.5	122.4	70.0	56.5	75.1	62.7	83.5	115.2	89.7	77.9

SOURCE: MARKETING CALIFORNIA GRAPES, RAISINS, WINE, CALIFORNIA DEPARTMENT OF AGRICULTURE, SACRAMENTO, AND
U. S. DEPARTMENT OF AGRICULTURE.
INTERSTATE SHIPMENTS OF DECIDUOUS TREE FRUITS, CALIF. DEPT. OF AGRICULTURE, SACRAMENTO, & U. S. DEPT. OF AGRICULTURE.

TABLE 2

STATEMENT OF NUMBER OF CARS OF DECIDUOUS FRUIT SHIPPED FROM CALIFORNIA DURING THE YEARS 1941 THROUGH 1958 INCLUSIVE

SEASON	APPLES	APRICOTS	CHERRIES*	NECTARINES	FIGS	PEACHES	PEARS	PLUMS	MIXED DECIDUOUS	TABLE GRAPES	JUICE GRAPES	TOTAL GRAPES	TOTAL FRUIT
					PERSIMMONS POMEGRANATES								
1958	100	90	296	915	221	2,112	3,569	2,648	44	15,442	6,454	21,896	31,891
1957	82	285	629	1,154	251	3,274	4,299	3,485	764	16,660	6,277	22,937	37,160
1956	60	312	877	488	251	2,765	4,005	4,424	609	17,965	6,309	24,274	38,065
1955	168	478	905	743	212	4,779	3,033	3,912	724	21,517	6,534	28,051	43,005
1954	185	331	621	548	206	3,421	4,473	2,988	683	18,965	6,551	25,516	38,972
1953	227	481	808	301	145	3,460	3,269	3,695	870	18,004	6,890	24,894	38,150
1952	569	476	884	455	196	4,115	5,482	2,614	488	22,613	6,895	29,508	44,787
1951	333	461	536	278	181	3,601	3,958	4,763	450	21,698	7,616	29,314	43,875
1950	330	732	1,002	383	193	4,400	3,973	4,113	464	19,166	6,206	25,372	40,962
1949	425	487	789	398	250	3,289	5,744	4,149	545	19,220	7,489	26,709	42,785
1948	442	521	454	304	219	3,218	1,633	3,744	469	20,439	8,579	29,018	40,022
1947	1,372	679	813	419	218	3,174	4,748	4,129	477	24,286	9,711	33,997	50,026
1946	971	859	846	371	187	3,705	5,017	5,484	582	20,934	8,321	29,255	47,277
1945	2,721	847	919	300	162	2,816	6,419	3,570	613	18,535	9,032	27,567	45,934
1944	744	867	769	425	183	3,623	3,254	4,988	648	14,712	7,860	22,572	38,073
1943	1,079	317	503	187	251	3,296	5,298	4,019	624	18,153	3,248	21,401	36,975
1942	333	348	791	274	226	1,992	2,880	3,852	578	17,283	12,161	29,444	40,718
1941	426	427	516	189	212	1,254	2,729	3,866	595	18,903	13,204	32,107	42,321
TOTAL	10,567	8,998	12,958	8,132	3,764	58,294	73,783	70,443	10,227	344,495	139,337	483,832	740,998

* CHERRIES MOVE 90% BY EXPRESS

SOURCE: INTERSTATE PASSINGS OF CALIFORNIA DECIDUOUS TREE FRUIT AND GRAPES ISSUED DAILY AND ANNUALLY BY U.S.D.A. - P. & M. A. FRUIT AND VEGETABLE BRANCH, SAN FRANCISCO, CALIFORNIA (EXPRESS INCLUDED).

TABLE 3

STATEMENT OF INTERSTATE SHIPMENTS OF DECIDUOUS FRUITS - CARLOT EQUIVALENTS FROM CALIFORNIA VIA TRUCKS FOR THE YEARS 1946 THROUGH 1958 ø

SEASON	APPLES	APRICOTS	CHERRIES	GRAPES	NECTARINES *	PEACHES	PEARS	PLUMS	STRAWBERRIES**	MISCELLANEOUS FRUITS**	TOTAL
1958	784	35	13	7,725	417	2,300	690	711	734	277	13,686
1957	692	90	55	6,315	457	2,238	893	902	902	189	12,733
1956	607	92	101	6,696	215	1,790	881	885	434	147	11,848
1955	712	104	107	5,370	213	1,844	609	716	268	159	10,102
1954	664	78	45	4,360	188	1,395	697	547		163	8,137
1953	681	98	49	3,624	110	1,135	451	493		207	6,848
1952	617	109	55	3,932	112	1,112	792	303		188	7,220
1951	375	104	28	3,161	94	1,024	356	488		169	5,797
1950	484	181	58	2,635	81	869	377	313		162	5,160
1949	388	87	36	2,005		566	405	138		246	3,871
1948	317	67	11	1,438		325	144	146		260	2,708
1947	293	58	18	743		391	185	130		271	2,089
1946	194	66	15	459		308	120	111		138	1,411

SEASON	VEGETABLES	CITRUS FRUIT	NUTS	MELONS#	TOTAL
1958	56,425	11,166	117	4,231	71,939
1957	55,352	11,530	100	4,579	71,561
1956	45,462	12,041	91	3,080	60,674
1955	40,550	10,609	70	2,644	53,873
1954	36,396	11,523	70	2,350	50,339
1953	35,937	12,252	53	2,426	50,668
1952	30,460	8,124	60	1,929	40,573
1951	26,372	7,856	32	1,867	36,127
1950	20,650	5,656	82	1,521	27,909
1949	20,038	3,711	56	891	24,696
1948	14,186	3,056	45	360	17,647
1947	10,515	1,485	54	447	12,501
1946	7,137	988	60	453	8,638

ø NOTE: The conversion factors used for converting package totals to carlot equivalents shown for the years 1950 & 1958 are different from those used in prior years resulting in approximately 7½% overall reduction in carlot equivalent figures for those two years as compared with the old conversion method.

* PRIOR TO 1950 NECTARINE SHIPMENTS WERE INCLUDED WITH MISCELLANEOUS FRUITS.

** INCLUDES PERSIMMONS AND POMEGRANATES.

*** INCLUDED IN MISCELLANEOUS FRUITS BEFORE 1955.

\# DOES NOT INCLUDE WATERMELONS.

TABLE 4

PERCENTAGE DISTRIBUTION OF INTERSTATE RAIL CARLOT
AND TRUCK CARLOT EQUIVALENT SHIPMENTS
CALIFORNIA DECIDUOUS FRUITS

1946-1958 ø

SEASON	TOTAL	RAIL	%	Truck	%
1958	45,577	31,891	69.97	13,686	30.03
1957	49,893	37,160	74.48	12,733	25.52
1956	49,913	38,065	76.26	11,848	23.74
1955	53,107	43,005	80.98	10,102	19.02
1954	47,109	38,972	82.73	8,137	17.27
1953	44,998	38,150	84.78	6,848	15.22
1952	52,007	44,787	86.11	7,220	13.89
1951	49,672	43,875	88.33	5,797	11.67
1950	46,122	40,962	88.81	5,160	11.19
1949	46,656	42,785	91.70	3,871	8.30
1948	42,730	40,002	93.66	2,708	6.34
1947	52,115	50,026	95.99	2,089	4.01
1946	48,688	47,277	97.10	1,411	2.90

ø The conversion factors used for converting package totals to carlot equivalents shown for the years 1950 & 1958 are different from those used in prior years resulting in approximately 7½% overall reduction in carlot equivalent figures for those two years as compared with the old conversion method.

SOURCE: Interstate Passing of California Deciduous Tree Fruit & Grapes, U.S.D.A., P. & M. A. Fruit & Vegetable Branch, San Francisco, California, (Express Included). Truck Passings of Fresh Fruit and Vegetables through Border Stations, 1951-58 Bureau of Market News, U.S.D.A., P. & M. A., Dept. of Agriculture, State of California, 1946-49 Bureau of Fruit & Vegetable Standardization, State of California.

TABLE 5 STATEMENT GIVING THE UTILIZATION OF DECIDUOUS TREE FRUITS SHOWING AVERAGES FOR THE YEARS 1936-1940 AND 1941-1945 AND ANNUALLY 1946 THROUGH 1958.

A P P L E S (1,000 BUSHELS)

CROP YEAR	1. FRESH INTERSTATE	2. FRESH INTRASTATE	3. CANNED	4. FROZEN	5. DRIED	6. WASTED	7. TOTAL
1936-1940 AVERAGE			NOT AVAILABLE				
1941-1945 AVERAGE	1,180	2,513	213	481	2,489	60	5,819 (Inc. 879,000 Bu.Cider & Vinegar)
1946	988	2,453	750	397	2,000	- - -	7,648 (Inc.1,060,000 " " ")
1947	1,568	3,718	650	30	2,832	1,125	11,082 (Inc.1,159,000 " " ")
1948	580	2,193	831	120	1,073	- - -	5,870 (Inc.1,073,000 " " ")
1949	734	3,593	1,120	166	2,210	- - -	9,445 (Inc.1,622,000 " " ")
1950	580	2,764	1,036	170	1,123	- - -	6,748 (Inc.1,075,000 " " ")
1951	640	3,200	1,084	65	1,667	- - -	7,832 (Inc.1,176,000 " " ")
1952	1,042	3,420	1,408	267	2,000	- - -	9,200 (Inc.1,063,000 " " ")
1953	635	2,230	1,702	204	1,617	- - -	7,200 (Inc.812,000 " " ")
1954	618	2,678	2,283	578	2,325	- - -	9,542 (Inc.1,060,000 " " ")
1955	670	2,870	2,150	535	2,170	- - -	9,440 (Inc.1,045,000 " " ")
1956	330	3,242	1,854	730	2,184	- - -	9,260 (Inc.920,000 " " ")
1957	750	2,400	2,038	571	2,054	- - -	8,950 (Inc.1,137,000 " " ")
1958							9,300

A P R I C O T S (TONS FRESH)

1936-1940 AVERAGE	6,300	13,080	53,500	---	153,520	- - -	226,400
1941-1945 "	8,500	14,820	70,240	5,280	88,560	1,000	193,000
1946	12,700	15,100	162,000	17,600	98,600	- - -	306,000
1947	9,900	12,500	60,500	1,900	84,200	- - -	169,000
1948	8,100	14,500	101,500	700	68,200	26,000	219,000
1949	7,700	13,900	59,700	300	78,400	5,000	165,000
1950	13,200	14,300	103,700	4,000	77,800	- - -	213,000
1951	8,000	14,000	104,200	4,300	41,500	- - -	172,000
1952	7,600	11,500	92,500	1,100	45,300	- - -	158,000
1953	8,700	10,800	120,200	2,100	88,200	- - -	230,000
1954	6,100	8,200	87,100	2,000	36,600	- - -	140,000
1955	8,600	8,900	151,500	5,000	79,000	- - -	253,000
1956	5,400	7,600	121,000	1,900	50,100	- - -	186,000
1957	5,000	7,900	109,000	2,900	42,200	- - -	167,000

TABLE 5 (continued)

CHERRIES (TONS)

CROP YEAR	1. FRESH INTERSTATE	2. FRESH INTRASTATE	3. CANNED	4. FROZEN	5. DRIED	6. WASTED	7. TOTAL
1946	9,200	5,600	9,200	2,500	7,500*	- - -	34,000
1947	8,700	5,400	4,700	100	9,100*	- - -	28,000
1948	5,000	3,000	3,800	- - -	11,700*	- - -	23,500
1949	8,800	8,700	11,100	300	15,100*	- - -	44,000
1950	11,400	5,850	6,000	50	7,700*	- - -	31,000
1951	6,100	3,000	3,700	200	6,800*	- - -	19,800
1952	10,300	6,750	10,200	50	12,200*	- - -	39,500
1953	9,400	4,500	5,800	-	7,300*	- - -	27,000
1954	7,300	3,400	4,400	-	8,100*	- - -	23,200
1955	10,800	4,700	8,600	-	9,900*	- - -	34,000
1956	10,400	4,800	7,400	-	11,700*	- - -	34,300
1957	7,100	4,200	5,700	-	11,900*	- - -	30,900
1958							12,000

NOTE: *BRINED

FREESTONE PEACHES (TONS)

1936-1940 AVERAGE	49,580	21,040	18,780	- - -	103,800	- - -	193,200
1941-1945 "	30,940	66,020	34,800	7,960	105,080	400	245,200
1946	52,200	84,300	25,600	14,700	159,200	- - -	336,000
1947	45,700	73,600	40,300	2,900	110,500	6,000	279,000
1948	46,200	69,400	50,200	2,600	51,600	3,000	223,000
1949	48,900	76,400	44,500	5,600	91,600	- - -	267,000
1950	64,200	65,900	54,000	9,900	46,000	- - -	240,000
1951	55,800	62,600	80,200	13,700	59,700	- - -	272,000
1952	65,000	56,700	79,300	10,800	48,200	- - -	260,000
1953	58,200	49,400	74,000	10,700	55,700	- - -	248,000
1954	60,500	58,500	85,300	11,600	62,100	- - -	278,000
1955	83,000	46,600	81,200	18,500	44,700	- - -	274,000
1956	58,400	53,300	123,200	20,800	47,300	- - -	303,000
1957	70,000	54,400	107,500	21,600	50,500	- - -	304,000
1958							262,000

TABLE 5 (continued)

BARTLETT PEARS (TONS)

CROP YEAR	1. FRESH INTERSTATE	2. FRESH INTRASTATE	3. CANNED	4. FROZEN	5. DRIED	6. WASTED	7. TOTAL
1936-1940 AVERAGE	72,300	21,840	78,600	- - -	32,100	- - -	204,800
1941-1945 AVERAGE	69,140	25,120	122,480	40	19,280	3,600	240,800
1946	76,500	28,600	143,800	600	18,500	- - -	268,000
1947	76,500	26,000	181,400	- - -	12,100	- - -	296,000
1948	26,500	17,500	175,800	900	5,300	- - -	226,000
1949	99,000	39,900	171,700	- - -	12,200	21,000	334,000
1950	72,000	22,500	202,500	- - -	7,000	- - -	304,000
1951	66,600	22,900	213,900	- - -	8,600	- - -	312,000
1952	93,600	22,000	211,000	- - -	8,400	- - -	335,000
1953	53,900	16,500	162,300	- - -	6,300	- - -	239,000
1954	71,900	22,200	247,700	- - -	16,200	- - -	358,000
1955	52,300	17,100	227,200	- - -	12,400	- - -	309,000
1956	68,000	19,000	278,400	- - -	9,600	- - -	375,000
1957	74,700	20,400	254,400	- - -	10,500	- - -	372,000
1958							311,000

PLUMS (TONS)

1946	75,500	16,800	2,100	1,600	- - -	- - -	100,000 (Inc. 4,000 Tons Crushed)
1947	57,500	13,700	2,100	- - -	- - -	- - -	74,000
1948	52,500	12,900	1,600	- - -	- - -	- - -	67,000
1949	59,200	18,600	1,900	300	- - -	10,000	90,000
1950	59,900	13,500	1,400	200	- - -	2,000	77,000
1951	70,900	20,400	2,200	500	- - -	3,000	97,000
1952	39,500	11,400	2,100	- - -	- - -	- - -	53,000
1953	60,500	14,800	1,100	600	- - -	- - -	84,000
1954	51,300	13,200	1,500	1,000	- - -	- - -	71,000
1955	65,600	15,200	900	2,300	- - -	- - -	86,000
1956	75,800	16,000	2,400	1,500	--- -	- - -	100,000
1957	62,700	12,700	1,500	1,100	- - -	- - -	81,000
1958							63,000

NOTE: CHERRIES MOVE 90% BY EXPRESS TO INTERSTATE MARKETS.

SOURCE: CALIFORNIA FRUIT & NUT CROP ANNUAL SUMMARY.
CALIFORNIA DEPARTMENT OF AGRICULTURE CROP AND LIVESTOCK REPORTING SERVICE, SACRAMENTO, CALIFORNIA.

Table 5

STATEMENT GIVING THE UTILIZATION OF GRAPES
1946-1958
(Tons)

CROP YEAR	1. FRESH INTERSTATE	2. FRESH INTRASTATE	3. CANNED	4. DRIED	5. ~~WASTED~~ Crushed etc	6. TOTAL
1946	461,900	57,500	14,300	772,400	1,651,900	2,958,000
1947	551,400	70,500	23,000	1,225,100	966,000	2,836,000
1948	470,600	75,900	30,000	928,000	1,386,300	2,891,000
1949	450,200	64,700	25,000	1,037,300	887,800	2,465,000
1950	433,000	59,100	24,000	624,600	1,291,300	2,432,000
1951	507,100	73,800	26,000	969,200	1,642,900	3,219,000
1952	512,000	68,100	23,000	1,153,200	1,201,700	2,958,000
1953	433,700	66,900	27,000	933,000	1,012,400	2,473,000
1954	455,000	63,300	28,400	673,300	1,107,000	2,327,000
1955	495,900	74,700	33,100	900,000	1,516,300	3,020,000
1956	445,900	69,900	34,800	800,000	1,278,400	2,629,000
1957	427,200	69,700	36,000	652,000	1,197,100	2,382,000
1958	431,200	72,200	36,000	744,000	1,457,600	2,741,000

SOURCE: MARKETING GRAPES, RAISINS, WINE.
CALIFORNIA DEPT. OF AGRICULTURE, BUREAU OF MARKET NEWS, SACRAMENTO, CALIFORNIA.

TABLE 6

ESTIMATED UNITED STATES CIVILIAN POPULATION,
1923-1958

YEAR	POPULATION	YEAR	POPULATION
1923	111,950,000	1941	133,402,000
1924	114,113,000	1942	134,860,000
1925	115,832,000	1943	136,793,000
1926	117,399,000	1944	138,397,000
1927	119,038,000	1945	139,928,000
1928	120,501,000	1946	141,389,000
1929	121,770,000	1947	144,126,000
1930	123,077,000	1948	146,631,000
1931	124,040,000	1949	149,188,000
1932	124,840,000	1950	150,202,000
1933	125,579,000	1951	151,082,000
1934	126,374,000	1952	153,366,000
1935	127,250,000	1953	156,046,000
1936	128,053,000	1954	159,860,000
1937	128,825,000	1955	162,306,000
1938	129,825,000	1956	165,341,000
1939	130,880,000	1957	168,368,000
1940	132,122,000	1958	171,433,000

SOURCE: Est. Population of Continental United States.
Department of Commerce, Bureau of The Census,
Current, Current Population Reports, Series P-25.

TABLE 7

U.S. PER CAPITA CONSUMPTION FRESH FRUIT OTHER THAN APPLES AND CITRUS, 1923-1957 1/

YEAR	LBS. PER PERSON	YEAR	LBS. PER PERSON
1923	60.0	1940	55.9
1924	63.2	1941	59.9
1925	60.6	1942	46.9
1926	71.7	1943	36.2
1927	61.2	1944	50.4
1928	71.7	1945	55.6
1929	64.5	1946	59.0
1930	61.3	1947	56.4
1931	69.9	1948	50.9
1932	53.0	1949	52.8
1933	47.5	1950	44.9
1934	53.7	1951	44.6
1935	58.7	1952	46.1
1936	54.3	1953	45.5
1937	63.3	1954	44.8
1938	56.5	1955	39.9
1939	59.4	1956	42.1
		1957	42.1

1/ All data on calendar year basis. All per capita consumption data are computed using July 1 population.

SOURCE: Consumption of Food In the United States, issued by United States Department of Agriculture, Bureau of Agricultural Economics.

TABLE 8

DISTRIBUTION OF RAIL SHIPMENTS OF CALIFORNIA FRESH DECIDUOUS FRUIT

BY SELECTED TARIFF GROUPS

1950 - 1958 (Carlots)

GRAPES

	GROUPS A & B	GROUPS C & C-1	GROUP D	GROUPS E & West	GROUPS K, K-1 L & M	CANADA	TOTAL
1958	12,360	1,510	1,881	550	796	2,595	19,692
1957	12,204	1,596	1,890	781	1,076	2,501	20,048
1956	12,703	2,564	2,242	1,252	1,416	2,486	22,663
1955	14,025	2,057	2,443	1,663	1,846	2,124	24,158
1954	13,675	1,838	2,253	1,836	1,719	1,847	23,168
1953	12,674	1,745	2,056	1,960	1,572	1,476	21,483
1952	14,995	2,078	2,579	3,023	2,091	1,701	26,627
1951	14,295	1,883	2,240	2,830	1,734	1,431	24,418
1950	12,950	1,645	2,186	2,518	1,415	1,187	21,901

PEACHES

	GROUPS A & B	GROUPS C & C-1	GROUP D	GROUPS E & WEST	GROUPS K, K-1 L & M	CANADA	TOTAL
1958	168	33	453	505	18	89	1,266
1957	489	102	589	971	90	124	2,365
1956	295	114	479	861	39	145	1,933
1955	1,325	283	804	946	186	130	3,674
1954	229	116	567	1,203	126	167	2,408
1953	228	103	603	1,238	92	116	2,380
1952	403	241	738	1,333	73	139	2,927
1951	97	140	534	1,340	54	102	2,267
1950	933	284	621	1,101	87	163	3,189

TABLE 8

PEARS

	GROUPS A & B	GROUPS C & C-1	GROUP D	GROUPS E & West	GROUPS K, K-1 L & M	CANADA	TOTAL
1958	2,428	205	451	208	89	213	3,594
1957	2,859	245	484	220	152	302	4,262
1956	2,489	370	553	286	131	269	4,098
1955	2,021	175	421	230	123	231	3,201
1954	2,803	285	569	352	182	244	4,435
1953	2,145	215	435	297	109	200	3,401
1952	3,020	338	627	566	170	252	4,973
1951	2,676	240	631	422	92	117	4,178
1950	2,521	264	507	418	90	145	3,945

PLUMS

	GROUPS A & B	GROUPS C & C-1	GROUP D	GROUPS E & West	GROUPS K, K-1 L & M	CANADA	TOTAL
1958	1,792	173	262	49	41	191	2,508
1957	2,397	242	413	117	87	196	3,452
1956	2,804	309	560	206	115	275	4,269
1955	2,640	293	494	170	116	153	3,866
1954	1,884	254	405	164	69	177	2,953
1953	2,336	299	526	276	110	205	3,752
1952	1,575	177	358	200	50	74	2,434
1951	2,766	335	638	387	131	171	4,428
1950	2,382	270	501	281	89	136	3,659

TABLE 8

SUMMARY OF DISTRIBUTION OF SELECTED CALIFORNIA FRESH DECIDUOUS FRUITS BY VOLUME, 1950-1958.

CARLOTS

	GROUPS A & B	GROUPS C & C-1	GROUP D	GROUPS E & West	GROUPS K, K-1 L & M	CANADA	TOTAL
1958	16,748	1,921	3,047	1,312	944	3,088	27,060
1957	17,949	2,185	3,376	2,089	1,405	3,123	30,127
1956	18,291	3,357	3,834	2,605	1,701	3,174	32,963
1955	20,011	2,808	4,162	3,009	2,271	2,638	34,899
1954	18,591	2,493	3,794	3,555	2,096	2,435	32,964
1953	17,383	2,362	3,620	3,771	1,883	1,997	31,016
1952	19,993	2,834	4,302	5,122	2,384	2,226	36,861
1951	19,834	2,603	4,043	4,979	2,011	1,821	35,291
1950	18,786	2,463	3,815	4,318	1,681	1,631	32,694

BY PERCENTAGE

	GROUPS A & B	GROUPS C & C-1	GROUP D	GROUPS E & West	GROUPS K, K-1 L & M	CANADA	TOTAL
1958	61.89	7.10	11.26	4.85	3.49	11.41	100
1957	59.58	7.25	11,21	6.93	4.66	10.37	100
1956	55.49	10.19	11.63	7.90	5.16	9.63	100
1955	57.34	8.05	11.92	8.62	6.51	7.56	100
1954	56.40	7.56	11.51	10.78	6.36	7.39	100
1953	56.05	7.61	11,67	12.16	6.07	6.44	100
1952	54.24	7.69	11.67	13.89	6.47	6.04	100
1951	56.21	7.36	11.46	14.11	5.70	5.16	100
1950	57.46	7.53	11.67	13.21	5.14	4.99	100

NOTE:-This statement includes deliveries in principal cities - does not include California deliveries or unloads in many smaller markets.

SOURCE:- Carlot unloads of certain fruits & vegetables in 100 cities and imports in 5 cities in Canada. Bureau of Market News, Production & Marketing Administration, U. S. Department of Agriculture.

TABLE 9

STATEMENT OF PERCENTAGE OF TOTAL CALIFORNIA RAIL SHIPMENT OF PRINCIPAL VARIETIES OF DECIDUOUS FRUITS DELIVERED IN NEW YORK CITY DURING 1949-1958 INCLUSIVE

	1949			1950			1951		
VARIETY:	TOTAL	NEW YORK	PER CENT	TOTAL	NEW YORK	PER CENT	TOTAL	NEW YORK	PER CENT
APRICOTS	487	193	39.6	732	155	21.17	461	153	33.62
NECTARINES	398	173	43.47	383	226	59.00	278	155	55.75
PLUMS	4,149	1,189	28.66	4,113	1,209	29.15	4,763	1,352	28.38
PEARS	5,477	1,582	28.88	3,973	1,132	28.49	3,953	1,329	33.58
GRAPES	26,709	5,043	18.88	25,372	5,158	20.33	29,314	5,219	17.80
TOTAL	37,220	8,180	21.98	34,573	7,880	22.82	38,774	8,208	21.14

	1952			1953			1954		
VARIETY:	TOTAL	NEW YORK	PER CENT	TOTAL	NEW YORK	PER CENT	TOTAL	NEW YORK	PER CENT
APRICOTS	476	171	35.97	481	178	37.08	331	135	40.79
NECTARINES	455	236	51.87	301	201	66.78	543	314	57.30
PLUMS	2,614	858	32.82	3,695	1,086	29.39	2,983	892	29.85
PEARS	5,482	1,287	23.47	3,269	1,020	31.20	4,473	1,280	28.62
GRAPES	29,508	5,305	17.98	24,894	4,572	18.37	25,516	5,003	19.61
TOTAL	38,535	7,857	20.40	32,640	7,057	21.62	33,856	7,624	22.52

SOURCE: UNLOADS OF FRESH FRUITS & VEGETABLES AT NEW YORK CITY.
INTERSTATE SHIPMENTS CALIFORNIA DECIDUOUS TREE FRUITS - U.S.D.A. BUREAU OF MARKET NEWS.

TABLE 9

VARIETY:	1955 TOTAL	1955 NEW YORK	1955 PER CENT	1956 TOTAL	1956 NEW YORK	1956 PER CENT	1957 TOTAL	1957 NEW YORK	1957 PER CENT
APRICOTS	478	188	39.33	312	133	42.63	285	130	45.61
NECTARINES	743	431	58.00	488	227	46.52	1,154	522	45.23
PLUMS	3,912	1,314	33.59	4,424	1,293	29.23	3,485	1,038	29.78
PEARS	3,033	930	30.66	4,005	1,056	26.37	4,299	1,118	26.01
GRAPES	28,051	4,856	17.31	24,274	4,540	18.70	22,937	4,195	18.29
TOTAL	36,217	7,719	21.31	33,503	7,249	21.64	32,160	7,003	21.81

VARIETY:	1958 TOTAL	1958 NEW YORK	1958 PERCENT
APRICOTS	90	48	53.33
NECTARINES	915	414	45.25
PLUMS	2,648	858	32.40
PEARS	3,569	1,126	31.55
GRAPES	21,896	5,024	22.94
TOTAL	29,118	7,470	25.65

SOURCE: UNLOADS OF FRESH FRUITS & VEGETABLES AT NEW YORK CITY.
INTERSTATE SHIPMENTS CALIFORNIA DECIDUOUS TREE FRUITS - U.S.D.A. BUREAU OF MARKET NEWS.

TABLE 10

DESTINATION OF OUTBOUND TRUCK PASSINGS OF SELECTED CALIFORNIA FRUITS - 1958
(Carlot Equivalents)

Commodity	Western States	Mid-Western States	Southern States	Eastern States
Apples	721	44	19	40
Apricots	31	6	1	3
Grapes	2,998	2,375	1,238	150
Peaches	1,311	847	179	158
Pears	437	170	76	9
Plums	352	201	80	30
	5,850	3,643	1,593	390

SOURCE: TRUCK PASSINGS OF FRESH FRUITS & VEGETABLES THROUGH CALIFORNIA BORDER STATIONS, CALIFORNIA DEPARTMENT OF AGRICULTURE, U. S. DEPARTMENT OF AGRICULTURE.

TABLE II

RAIL RATES OF FRESH DECIDUOUS FRUITS (OTHER THAN APPLES) IN CARLOAD LOTS, FROM CALIFORNIA TO TRANS-CONTINENTAL DESTINATIONS. GROUPS A. TO J., INCLUSIVE.

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY ICC	AGENT	SUP.
7/1/46 to 12/31/46	Dec. Fresh Fruits including Grapes	$ 1.68	27,500	$462.00	A to C-1 Inclusive	1508	KIPP	46
		1.55	26,000	403.00	D and E	"	"	"
		1.44	26,000	374.40	F to I	"	"	"
		1.55	34,000	527.00	A to C-1 Inclusive	"	"	"
	Pears, straight carloads	1.46	36,000	525.60	A to E. Inclusive	"	"	"
		1.29	36,000	464.00	F to I. Inclusive	"	"	"
		1.03	36,000	370.80	J	"	"	"
1/1/47 to 10/12/47	Deciduous Fresh Fruits including Grapes	1.76	27,500	484.00	A to C-1 Inc.	"	"	X-162
		1.63	26,000	423.80	D and E	"	"	"
		1.53	26,000	397.80	F to I Inc.	"	"	"
		1.33	26,000	845.80	G (List 2)	"	"	"
		1.43	26,000	371.80	" (List 2-A or 2-B)	"	"	"
		1.48	26,000	384.80	" (List 2-D or 4)	"	"	"
		1.48	26,000	384.80	H (List 2-E)	"	"	"
		1.29	26,000	335.40	I (List 1)	"	"	"
		1.33	26,000	345.80	I (List 1-A or 1-B)	"	"	"
		1.39	26,000	361.40	I (List 1-C)	"	"	"
		1.43	26,000	371.80	I (List 2-A or 2-C)	"	"	"
		1.23	26,000	319.80	J (List 1-A or 2)	"	"	"
		1.63	34,000	554.20	A to C-1 Inclusive	"	"	"
	Pears, Straight carloads	1.55	36,000	558.00	A to E Inclusive	"	"	"
		1.38	36,000	496.80	F to I Inclusive	"	"	"
		1.13	36,000	415.80	J	"	"	"

TABLE II

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
10/13/47 to 1/4/48	Dec. Fresh Fruits including Grapes	$1.94	27,500	$533.50	A TO C-1 Inclusive	1508	KIPP	X-166
		1.79	26,000	465.40	D AND E	1508	"	"
		1.68	26,000	436.80	F TO I. Inclusive	"	"	"
		1.46	26,000	379.60	G (List 2)	"	"	"
		1.57	26,000	408.20	G (List 2-A or 2-B)	"	"	"
		1.63	26,000	423.80	G (List 2D or 4)	"	"	"
		1.63	26,000	423.80	H (List 2-E)	"	"	"
		1.42	26,000	369.20	I (List 1)	"	"	"
		1.46	26,000	379.60	I (List 1-A or 2-B)	"	"	"
		1.53	26,000	397.80	I (List 1-C)	"	"	"
		1.57	26,000	408.20	I (List 2-A or 2-C)	"	"	"
		1.35	26,000	351.00	J (List 1-A or 2)	"	"	"
		1.79	34,000	608.60	A to C-1 Inclusive	"	"	"
	Pears - Straight Carloads	1.71	36,000	615.60	A to E. Inclusive	"	"	"
		1.52	36,000	547.20	F to I. Inclusive	"	"	"
		1.24	36,000	446.40	J	"	"	"
1/13/48 to 5/5/48-and 11/15/48 to 1/10/49	Dec. Fresh Fruits Including Grapes	1.96	27,500	539.00	A to C-1 Inclusive	"	"	& X-166 B
		1.83	26,000	475.80	D and E	"	"	"
		1.73	26,000	449.80	F to I. Inclusive	"	"	"
		1.53	26,000	397.80	G. (List 2)	"	"	"
		1.63	26,000	423.80	G. (List 2-A or 2-B)	"	"	"
		1.68	26,000	436.80	G. (List 2-D or 4)	"	"	"
		1.68	26,000	436.80	H. (List 2-E)	"	"	"
		1.49	26,000	387.40	I. (List 1)	"	"	"
		1.53	26,000	397.80	I. (List 1-A or 2-B)	"	"	"
		1.59	26,000	413.40	I. (List 1-C)	"	"	"
		1.63	26,000	423.80	I. (List 2-A or 2-C)	"	"	"
		1.43	26,000	371.80	J. (List 1-A or 2)	"	"	"
		1.83	34,000	622.20	A. to C-1 Inclusive	"	"	"

TABLE II

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
	Pears straight carloads	$ 1.75	36,000	$630.00	A TO E Inclusive	1508	KIPP &	X 166-B
		1.58	36,000	568.80	F to I	"	"	"
		1.33	36,000	478.80	J	"	"	"
5/6/48 to 11/14/48	Dec. Fresh Fruits including Grapes.	1.98	27,500	544.50	A to C-1 Inclusive	"	"	X-166-A
		1.85	26,000	481.00	D and E	"	"	"
		1.75	26,000	455.00	F to I. Inclusive	"	"	"
		1.55	26,000	403.00	G (List 2)	"	"	"
		1.65	26,000	429.00	G (List 2-A or 2-B)	"	"	"
		1.70	26,000	442.00	G (List 2 D or 4)	"	"	"
		1.70	26,000	442.00	H (List 2-E)	"	"	"
		1.51	26,000	392.60	I (List 1)	"	"	"
		1.55	26,000	403.00	I (List 1-A or 1-B)	"	"	"
		1.61	26,000	418.60	I (List 1-C)	"	"	"
		1.65	26,000	429.00	I (List 2-A or 2-C)	"	"	"
		1.45	26,000	377.00	J (List 1-A or 2)	"	"	"
		1.85	34,000	629.00	A to C-1 Inclusive	"	"	"
	Pears - straight carloads	1.77	36,000	637.20	A to E-Inclusive	"	"	"
		1.60	36,000	576.00	F to I-Inclusive	"	"	"
		1.35	36,000	486.00	J	"	"	"
1/11/49 to 8/31/49	Dec. Fresh Fruits including Grapes	2.02	27,500	555.50	A to C-1 Inclusive	1508	KIPP	X-168 Interim
		1.89	26,000	491.40	D & E	"	"	" "
		1.79	26,000	465.40	F to I. Inclusive	"	"	" "
		1.59	26,000	413.40	G (List 2)	"	"	" "
		1.69	26,000	439.40	G (List 2-A or 2-B)	"	"	" "
		1.74	26,000	452.40	G (List 2-D or 4)	"	"	" "
		1.74	26,000	452.40	H (List 2-E)	"	"	" "
		1.55	26,000	403.00	I (List 1)	"	"	" "
		1.59	26,000	413.40	I (List 1-A or 1-B)	"	"	" "
		1.65	26,000	429.00	I (List 1-C)	"	"	" "
		1.69	26,000	439.40	I (List 2-A or 2-C)	"	"	" "

TABLE II

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHT	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I. C.C.	AGENT	SUP.	
1/11/49 to 8/31/49	Dec. Fresh Fruits including Grapes	$1.49	26,000	$387.40	J (List 1-A or 2)	1508	KIPP	X-168	Interi
		1.89	34,000	642.60	A to C-1 Inclusive	"	"	"	
	Pears-straight carloads	1.81	36,000	651.60	A to E. Inc.	"	"	"	
		1.64	36,000	590.40	F to I. Inclusive	"	"	"	
		1.39	36,000	500.40	J	"	"	"	
9/1/49 to 4/3/51	Dec.Fresh Fruits including Grapes	2.05	27,500	563.75	A to C-1 Inclusive	"	"	X-168	Final order
		1.92	26,000	499.20	D and E	"	"	"	"
		1.82	26,000	473.20	F to I Inc.	"	"	"	"
		1.62	26,000	421.20	G (List 2)	"	"	"	"
		1.72	26,000	447.20	G (List 2-A or 2-B)	"	"	"	"
		1.77	26,000	460.20	G (List 2-D or 4)	"	"	"	"
		1.77	26,000	460.20	H (List 2-E)	"	"	"	"
		1.58	26,000	410.80	I (List 1)	"	"	"	"
		1.62	26,000	421.20	I (List 1-A or 1-B)	"	"	"	"
		1.68	26,000	436.80	I (List 1-C)	"	"	"	"
		1.72	26,000	447.20	I (List 2-A or 2-C)	"	"	"	"
		1.52	26,000	395.20	J (List 1 or 2)	"	"	"	"
		1.92	34,000	652.80	A to C-1 Inclusive	"	"	"	"
	Pears-straight carloads	1.84	36,000	662.40	A to E Inclusive	"	"	"	"
		1.67	36,000	601.20	F to I Inclusive	"	"	"	"
		1.42	36,000	511.20	J	"	"	"	"

TABLE II

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
4-4-51 to 8-27-51	Dec. Fresh Fruits including Grapes	$ 2.07	27,500	$569.25	A to C-1 Inclusive	1508	KIPP	Interim 175
		1.94	26,000	504.40	D & E	"	"	"
		1.84	26,000	478.40	F to I Inclusive	"	"	"
		1.64	26,000	426.40	G (List 2)	"	"	"
		1.74	26,000	452.40	G (List 2A or 2-B)	"	"	"
		1.79	26,000	465.40	G (List 2-D or 4)	"	"	"
		1.79	26,000	465.40	H (List 2-E)	"	"	"
		1.60	26,000	416.00	I (List 1)	"	"	"
		1.64	26,000	426.40	I (List 1-A or 1-B)	"	"	"
		1.70	26,000	442.00	I (List 1-C)	"	"	"
		1.74	26,000	452.40	I (List 2-A or 2-C)	"	"	"
		1.54	26,000	400.40	J (List 1 or 2)	"	"	"
		1.94	34,000	659.60	A to C-1 Inclusive	"	"	"
	Pears-straight carloads	1.86	36,000	669.60	A to E Inclusive	"	"	"
		1.69	36,000	608.40	F to I Inclusive	"	"	"
		1.44	36,000	518.40	J	"	"	"
8-28-51 to 5-1-52	Dec. Fresh Fruits including Grapes	2.11	27,500	580.25	A to C-1 Inclusive	1508	KIPP	Interim 175-A
		1.98	26,000	514.80	D & E	"	"	"
		1.88	26,000	488.80	F to I Inclusive	"	"	"
		1.68	26,000	436.80	G (List 2)	"	"	"
		1.78	26,000	462.80	G (List 2-A or 2-B)	"	"	"
		1.83	26,000	475.80	G (List 2-D or 4)	"	"	"
		1.83	26,000	475.80	H (List 2-E)	"	"	"
		1.64	26,000	426.40	I (List 1)	"	"	"

TABLE II

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
8-28-51 to 5-1-52	Dec. Fresh Fruits Including Grapes	$ 1.68	26,000	$436.80	I (List 1-A or 1-B)	1508	KIPP	Interim 175-A
		1.76	26,000	457.60	I (List 1-C)	"	"	"
		1.78	26,000	462.80	I (List 2-A or 2-C)	"	"	"
		1.58	26,000	410.80	J (List 1 or 2)	"	"	"
		1.98	34,000	673.20	A to C-1 Inclusive	"	"	"
	Pears - Straight carloads	1.90	36,000	684.00	A to E Inclusive	"	"	"
		1.73	36,000	622.80	F to I Inclusive	"	"	"
		1.48	36,000	532.80	J	"	"	"
5-2-52 to 10-22-54	Dec. Fresh Fruits Including Grapes	2.17	27,500	596.75	A to C-1 Inclusive	1508	KIPP	Final 175-B
		2.04	26,000	530.40	D & E	"	"	" "
		1.94	26,000	504.40	F to I Inclusive	"	"	"
		1.74	26,000	452.40	G (List 2)	"	"	"
		1.84	26,000	478.40	G (List 2-A or 2-B)	"	"	"
		1.89	26,000	491.40	G (List 2-D or 4)	"	"	"
		1.89	26,000	491.40	H (List 2-E)	"	"	"
		1.70	26,000	442.00	I (List 1)	"	"	"
		1.74	26,000	452.40	I (List 1-A or 1-B)	"	"	"
		1.82	26,000	473.20	I (List 1-C)	"	"	"
		1.84	26,000	478.40	I (List 2-A or 2-C)	"	"	"
		1.64	26,000	426.40	J (List 1 or 2)	"	"	"
		2.04	34,000	693.60	A to C-1 Inclusive	"	"	"
	Pears-Straight Carloads	1.96	36,000	705.60	A to E Inclusive	"	"	"
		1.79	36,000	644.40	F to I Inclusive	"	"	"
		1.54	36,000	554.40	J	"	"	"

TABLE 11

RAIL RATES OF FRESH DECIDUOUS FRUITS (OTHER THAN APPLES) IN CARLOAD LOTS, FROM CALIFORNIA TO TRANS-CONTINENTAL DESTINATIONS. GROUPS A. TO J., INCLUSIVE.

EFFECTIVE DATES	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN. PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
10-23-54 to 3-6-56	Dec. Fresh Fruits Including Grapes	$ 2.04	30,000	$ 612.00	A to C-1 inclusive	1558	Prueter	29
		2.04	26,000	530.40	D & E	1558	"	
		1.94	26,000	504.40	F to I Inclusive	"	"	
		1.74	26,000	452.40	G (List 2)	"	"	
		1.84	26,000	478.40	G (List 2-A or 2-B)	"	"	
		1.89	26,000	491.40	G (List 2-D or 4)	"	"	
		1.89	26,000	491.40	H (List 2-E)	"	"	
		1.70	26,000	442.00	I (List 1)	"	"	
		1.74	26,000	452.40	I (List 1-A or 1-B)	"	"	
		1.82	26,000	473.20	I (List 1-C)	"	"	
		1.84	26,000	478.40	I (List 2-A or 2-C)	"	"	
		1. 64	26,000	426.40	J (List 1 or 2)	"	"	
	Pears-Straight Carloads	1.96	36,000	705.60	A to E Inclusive	"	"	
		1.79	36,000	644.40	F to I Inclusive	"	"	
		1.54	36,000	554.40	J	"	"	
3-7-56 to 12-27-56	Dec. Fresh Fruits Including Grapes	2.10	30,000	630.00	A to C-1 Inclusive	1558	Prueter	X-196-A
		2.10	26,000	546.00	D & E	"	"	"
		2.00	26,000	520.00	F to I Inclusive	"	"	"
		1.80	26,000	468.00	G (List 2)	"	"	"
		1.90	26,000	494.00	G (List 2-A or 2-B)	"	"	"
		1.95	26,000	507.00	G (2-D or 4)	"	"	"
		1.95	26,000	507.00	H (List 2-E)	"	"	"
		1.76	26,000	457.60	I (List 1)	"	"	"
		1.80	26,000	468.00	I (List 1-A or 1-B)	"	"	"
		1.88	26,000	488.80	I (List 1-C)	"	"	"
		1.90	26,000	494.00	I (List 2-A or 2-C)	"	"	"
		1.70	26,000	442.00	J (List 1 or 2)	"	"	"

TABLE 11

EFFECTIVE DATE	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN.PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
3-7-56 to 12-27-56	Pears-Straight carloads	$ 2.02	36,000	$727.20	A to E Inclusive	1558	Prueter	X-196-A
		1.85	36,000	666.00	F to I Inclusive	"	"	"
		1.60	36,000	576.00	J	"	"	"
12-28-56 to 8-25-57	Dec. Fresh Fruits Including Grapes	2.17	30,000	651.00	A to C-1 Inclusive	1572	Prueter	X-206
		2.17	26,000	564.20	D & E	"	"	"
		2.07	26,000	538.20	F to I Inclusive	"	"	"
		1.87	26,000	486.20	G (List 2)	"	"	"
		1.97	26,000	512.20	G (List 2-A or 2-B)	"	"	"
		2.02	26,000	525.20	G (2-D or 4)	"	"	"
		2.02	26,000	525.20	H (List 2-E)	"	"	"
		1.83	26,000	475.80	I (List 1)	"	"	"
		1.87	26,000	486.20	I (list 1-A or 1-B)	"	"	"
		1.95	26,000	507.00	I (List 1-C)	"	"	"
		1.97	26,000	512.20	I (List 2-A or 2-C)	"	"	"
		1.77	26,000	460.20	I (List 1 or 2)	"	"	"
	Pears - straight carload	2.09	36,000	752.40	A to E Inclusive	"	"	"
		1.92	36,000	691.20	F to I Inclusive	"	"	"
		1.67	36,000	601.20	J	"	"	"
8-26-57 to 1-31-58	Dec. Fresh Fruits Including Grapes	2.21	30,000	663.00	A to C-1 Inclusive	"	"	X-206-A
		2.21	26,000	574.60	D & E	"	"	"
		2.11	26,000	548.60	F to I Inclusive	"	"	"
		1.91	26,000	496.60	G (List 2)	"	"	"
		2.01	26,000	522.60	G (List 2-A or 2-B)	"	"	"
		2.06	26,000	535.60	G (2-D or 4)	"	"	"
		2.06	26,000	535.60	H (List 2-E)	"	"	"
		1.87	26,000	486.20	I (List 1)	"	"	"
		1.91	26,000	496.60	I (List 1-A or 1-B)	"	"	"
		1.99	26,000	517.40	I (List 1-C)	"	"	"
		2.01	26,000	522.60	I (List 2-A or 2-C)	"	"	"
		1.81	26,000	470.60	I (List 1 or 2)	"	"	"

TABLE 11

EFFECTIVE DATE	COMMODITIES	RATE PER 100 LBS.	MINIMUM WEIGHTS	MIN.PER CAR REV.	DESTINATION GROUPS	TARIFF AUTHORITY I.C.C.	AGENT	SUP.
8-26-57 to 1-31-58	Pears - straight carload	$2.13	36,000	766.80	A to E Inclusive	1558	Prueter	X-206-A
		1.96	36,000	705.80	F to I Inclusive	"	"	"
		1.71	36,000	615.60	J	"	"	"
After 1-31-58	Dec. Fresh Fruits Including Grapes	2.26	30,000	678.00	A to C-1 Inclusive	"	"	X-212
		2.26	26,000	587.60	D & E	"	"	"
		2.16	26,000	561.60	F to I Inclusive	"	"	"
		1.96	26,000	509.60	G (List 2)	"	"	"
		2.06	26,000	535.60	G (List 2-A or 2-B)	"	"	"
		2.11	26,000	548.60	G (2-D or 4)	"	"	"
		2.11	26,000	548.60	H (List 2-E)	"	"	"
		1.92	26,000	499.20	I (List 1)	"	"	"
		1.96	26,000	509.60	I (List 1-A or 1-B)	"	"	"
		2.04	26,000	530.40	I (List 1-C)	"	"	"
		2.06	26,000	535.60	I (List 2-A or 2-C)	"	"	"
		1.86	26,000	483.60	I (List 1 or 2)	"	"	"
	Pears - straight carload	2.18	36,000	784.80	A to E Inclusive	"	"	"
		2.01	36,000	723.60	F to I Inclusive	"	"	"
		1.76	36,000	633.60	J	"	"	"

TABLE 12

CALIFORNIA APRICOTS - SEASONAL WEIGHTED AUCTION AVERAGES

SEASONS 1947 THROUGH 1958 INCLUSIVE.

SEASON	ALL VARIETIES			
	No. Lugs	Avg. Price	No. Crates	Avg. Price
1958	97,330	4.16	None	None
1957	292,378	3.90	None	None
1956	305,464	4.34	None	None
1955	477,237	4.18	29	1.25
1954	316,345	4.20	455	2.72
1953	479,261	3.52	1,160	1.49
1952	439,937	4.24	4,582	3.06
1951	399,274	3.56	51	1.47
1950	414,815	3.69	None	None
1949	467,023	2.64	5,998	1.90
1948	511,398	2.53	1,377	1.55
1947	588,232	2.56	6,089	1.66

SOURCE: Publication, "Annual Weighted Average Prices Received at Eastern Auction Markets by Varieties," issued annually by Federal State Market News Service, U. S. Department of Agriculture, Sacramento, California.

TABLE 12

AUCTION SALES OF CALIFORNIA GRAPES

TOTAL PACKAGES SOLD AND SEASONAL WEIGHTED AVERAGES

SEASONS 1947 THROUGH 1958 INCLUSIVE

SEASON	TABLE GRAPES Packages	TABLE GRAPES Avg. Price	JUICE GRAPES Packages	JUICE GRAPES Avg.Pri.	TOTAL Packages	TOTAL Avg.Pri
1958	3,429,587	4.31	707,442	3.30	4,137,029	4.14
1957	3,805,911	3.87	729,629	3.54	4,535,540	3.81
1956	4,226,903	3.77	875,537	3.24	5,102,440	3.67
1955	5,047,942	3.32	895,250	3.00	5,943,192	3.27
1954	4,837,469	3.81	1,103,525	2.95	5,940,994	3.65
1953	5,098,188	3.54	1,165,385	2.88	6,263,573	3.42
1952	5,875,329	3.26	1,406,561	2.71	7,281,890	3.15
1951	6,041,424	3.03	1,646,822	2.61	7,688,246	2.94
1950	6,066,599	3.28	1,701,642	3.27	7,768,241	3.28
1949	5,806,800	2.64	1,844,523	2.53	7,651,323	2.61
1948	6,580,117	2.90	2,440,958	2.38	9,021,075	2.76
1947	7,634,404	2.61	2,470,132	2.49	10,104,536	2.58

SOURCE: Publication, "Marketing California Grapes and Raisins" issued annually by Federal-State Market News Service, U. S. Department of Agriculture, Fresno, California, Sacramento, California and San Francisco, California.

TABLE 12

CALIFORNIA PEACHES

SEASONAL WEIGHTED AVERAGE AUCTION PRICES

SEASONS 1947 THROUGH 1958 INCLUSIVE

SEASON	ALL VARIETIES			
	No. Boxes	Average Price	No. Lugs	Average Price
1958	62,986	1.95	220,851	2.68
1957	215,623	2.21	381,543	2.62
1956	158,766	2.02	357,082	2.62
1955	505,443	2.13	470,805	3.20
1954	234,851	1.95	247,764	2.45
1953	241,054	1.94	226,857	2.55
1952	367,833	2.00	251,442	2.37
1951	197,715	2.26	175,236	3.14
1950	547,208	1.90	302,400	2.34
1949	409,055	1.60	160,059	2.21
1948	337,286	1.68	86,786	2.20
1947	301,571	1.75	110,929	2.26

SOURCE: Publication, "Annual Weighted Average Prices Received at Eastern Auction Markets by Varieties," issued annually by Federal State Market News Service, U. S. Department of Agriculture, Sacramento, California.

TABLE 12

CALIFORNIA PEARS

SEASONAL WEIGHTED AUCTION AVERAGES

SEASONS 1947 THROUGH 1958 INCLUSIVE

SEASON	BARTLETTS		ALL VARIETIES	
	No. Boxes	Avg. Price	No. Boxes	Average Price
1958	1,095,314	5.21	1,262,351	5.14
1957	1,133,427	5.28	1,380,731	5.21
1956	1,166,995	5.18	1,408,728	5.12
1955	928,496	5.31	1,090,835	5.19
1954	1,216,764	5.25	1,506,016	5.21
1953	1,106,542	5.18	1,333,004	4.95
1952	1,625,358	4.31	1,814,017	4.34
1951	1,423,142	4.82	1,682,972	4.71
1950	1,396,913	4.92	1,558,320	4.86
1949	1,782,644	3.48	2,106,627	3.45
1948	639,948	5.58	818,364	5.13
1947	1,485,215	4.42	1,844,761	4.28

SOURCE: Publication, "Annual Weighted Average Prices Received at Eastern Auction Markets by Varieties," issued annually by Federal State Market News Service, U. S. Department of Agriculture, Sacramento, California.

TABLE 12

CALIFORNIA PLUMS

SEASONAL WEIGHTED AVERAGE AUCTION PRICE

SEASONS 1947 THROUGH 1958 INCLUSIVE

SEASON	ALL VARIETIES					
	No. Crates	Avg.Price	No. Boxes	Avg.Price	No.Lugs	Av.Price
1958	1,278,664	4.73	38,827	3.83	75,933	4.42
1957	1,729,525	4.76	80,567	2.59	105,132	4.12
1956	2,231,165	3.55	82,167	2.48	76,670	3.10
1955	2,339,443	3.97	70,899	2.53	40,612	3.77
1954	1,692,721	4.65	74,094	2.85	69,389	4.41
1953	2,125,347	4.04	73,310	2.33	58,862	4.86
1952	1,474,642	5.44	67,015	3.30	51,716	4.47
1951	2,719,456	3.28	54,793	2.71	59,206	3.33
1950	2,484,635	4.02	44,613	2.76	22,681	4.04
1949	2,538,509	2.87	54,222	1.90	44,211	2.31
1948	2,349,011	3.43	106,001	1.91	40,700	3.22
1947	2,123,806	3.61	37,209	2.70	27,753	3.09

SOURCE: Publication, "Annual Weighted Average Prices Received at Eastern Auction Markets by Varieties," issued annually by Federal State Market News Service, U. S. Department of Agriculture, Sacramento, California.

TABLE 13

CALIFORNIA FRESH ELBERTA PEACHES - Industry Average Season prices 1947-1958 inclusive, 30,000 pound car, California peach boxes, delivered to Chicago, Illinois.

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Harvesting												
Pick		.12	.12	.15	.165	.180	.180	.180	.180	.180	.180	.180
Haul		.025	.025	.025	.025	.025	.025	.025	.025	.025	.025	.025
Total	.145	.145	.145	.175	.19	.205	.205	.205	.205	.205	.205	.205
Door to F.O.B.												
Container		.280	.280	.280	.34	.340	.340	.340	.340	.340	.340	.340
Door to Door & Overhead		.130	.130	.150	.17	.170	.170	.170	.170	.170	.170	.170
Loading & Bracing		.060	.060	.060	.07	.070	.035	.035	.035	.035	.035	.035
Precooling		.030	.030	.030	.03	.030	.030	.030	.030	.030	.030	.030
Miscellaneous		.020	.020	.020	.02	.020	.020	.020	.020	.020	.020	.020
Total	.510	.520	.520	.540	.63	.630	.595	.595	.595	.595	.595	.595
Total Tree to F.O.B.	.655	.665	.665	.715	.82	.835	.800	.800	.800	.800	.800	.800
Freight & Ref.	.410	.460	.470	.470	.48	.500	.500	.500	.500	.524	.538	.548
Total Tree to Chicago, Ill.	1.065	1.125	1.135	1.185	1.30	1.335	1.300	1.300	1.300	1.324	1.338	1.348
Average Delivered Price	1.570	1.850	1.710	2.020	1.71	1.860	1.720	1.750	1.865	1.800	1.725	1.685
Less Selling Charge	.110	.130	.120	.140	.12	.130	.120	.120	.130	.130	.121	.118
Del'd. Sale Less selling chg.	1.460	1.720	1.590	1.880	1.59	1.730	1.600	1.630	1.735	1.670	1.604	1.567
Less Frt. & Refrigeration	.410	.460	.470	.470	.48	.500	.500	.500	.500	.524	.538	.548
Return F.O.B.	1.050	1.260	1.120	1.410	1.11	1.230	1.100	1.130	1.235	1.146	1.066	1.019
Less door to door	.510	.520	.520	.540	.63	.630	.595	.595	.595	.595	.595	.595
Return Packing House door	.540	.740	.600	.870	.48	.600	.505	.535	.640	.551	.471	.424
Less pick & haul	.145	.145	.145	.175	.19	.205	.205	.205	.205	.205	.205	.205
Return on tree	.395	.595	.455	.695	.29	.395	.300	.330	.435	.346	.266	.219
Parity on tree	.675	.740	.410	.640	.75	.760	.680	.620	.576	.520	.530	.585
% of Parity	59	80	111	109	39	52	48	53	76	.665	.502	.374

TABLE 12

CALIFORNIA PLUMS

SEASONAL WEIGHTED AVERAGE AUCTION PRICE

SEASONS 1947 THROUGH 1958 INCLUSIVE

	ALL VARIETIES					
SEASON	No. Crates	Avg.Price	No. Boxes	Avg.Price	No.Lugs	Av.Price
1958	1,278,664	4.73	38,827	3.83	75,933	4.42
1957	1,729,525	4.76	80,567	2.59	105,132	4.12
1956	2,231,165	3.55	82,167	2.48	76,670	3.10
1955	2,339,443	3.97	70,899	2.53	40,612	3.77
1954	1,692,721	4.65	74,094	2.85	69,389	4.41
1953	2,125,347	4.04	73,310	2.33	58,862	4.86
1952	1,474,642	5.44	67,015	3.30	51,716	4.47
1951	2,719,456	3.28	54,793	2.71	59,206	3.33
1950	2,484,635	4.02	44,613	2.76	22,681	4.04
1949	2,538,509	2.87	54,222	1.90	44,211	2.31
1948	2,349,011	3.43	106,001	1.91	40,700	3.22
1947	2,123,806	3.61	37,209	2.70	27,753	3.09

SOURCE: Publication, "Annual Weighted Average Prices Received at Eastern Auction Markets by Varieties," issued annually by Federal State Market News Service, U. S. Department of Agriculture, Sacramento, California.

TABLE 13

CALIFORNIA FRESH ELBERTA PEACHES - Industry Average Season prices 1947-1958 inclusive, 30,000 pound car, California peach boxes, delivered to Chicago, Illinois.

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Harvesting												
Pick		.12	.12	.15	.165	.180	.180	.180	.180	.180	.180	.180
Haul		.025	.025	.025	.025	.025	.025	.025	.025	.025	.025	.025
Total	.145	.145	.145	.175	.19	.205	.205	.205	.205	.205	.205	.205
Door to F.O.B.												
Container		.280	.280	.280	.34	.340	.340	.340	.340	.340	.340	.340
Door to Door & Overhead		.130	.130	.150	.17	.170	.170	.170	.170	.170	.170	.170
Loading & Bracing		.060	.060	.060	.07	.070	.035	.035	.035	.035	.035	.035
Precooling		.030	.030	.030	.03	.030	.030	.030	.030	.030	.030	.030
Miscellaneous		.020	.020	.020	.02	.020	.020	.020	.020	.020	.020	.020
Total	.510	.520	.520	.540	.63	.630	.595	.595	.595	.595	.595	.595
Total Tree to F.O.B.	.655	.665	.665	.715	.82	.835	.800	.800	.800	.800	.800	.800
Freight & Ref.	.410	.460	.470	.470	.48	.500	.500	.500	.500	.524	.538	.548
Total Tree to Chicago, Ill.	1.065	1.125	1.135	1.185	1.30	1.335	1.300	1.300	1.300	1.324	1.338	1.348
Average Delivered Price	1.570	1.850	1.710	2.020	1.71	1.860	1.720	1.750	1.865	1.800	1.725	1.685
Less Selling Charge	.110	.130	.120	.140	.12	.130	.120	.120	.130	.130	.121	.118
Del'd. Sale Less selling chg.	1.460	1.720	1.590	1.880	1.59	1.730	1.600	1.630	1.735	1.670	1.604	1.567
Less Frt. & Refrigeration	.410	.460	.470	.470	.48	.500	.500	.500	.500	.524	.538	.548
Return F.O.B.	1.050	1.260	1.120	1.410	1.11	1.230	1.100	1.130	1.235	1.146	1.066	1.019
Less door to door	.510	.520	.520	.540	.63	.630	.595	.595	.595	.595	.595	.595
Return Packing House door	.540	.740	.600	.870	.48	.600	.505	.535	.640	.551	.471	.424
Less pick & haul	.145	.145	.145	.175	.19	.205	.205	.205	.205	.205	.205	.205
Return on tree	.395	.595	.455	.695	.29	.395	.300	.330	.435	.346	.266	.219
Parity on tree	.675	.740	.410	.640	.75	.760	.680	.620	.576	.520	.530	.585
% of Parity	59	80	111	109	39	52	48	53	76	.665	.502	.374

TABLE 13 (cont.)

CALIFORNIA FRESH ELBERTA PEACHES - Industry Average Season prices 1947-1958 inclusive, 30,000 pound car, California peach boxes, delivered to Chicago, Illinois.

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
% of Grower return to delivered price	25	32	27	34	17	21	17	19	23	19	15.4	13.0
% of Transportation to delivered price	26	25	27	23	28	27	29	28	27	29	31.2	32.5
% of Packing, etc. to delivered price	33	28	31	27	37	34	35	34	32	33	34.4	35.3
% of Pick & Haul to delivered price	9	8	8	9	11	11	12	12	11	12	12.0	12.2
% of Commission to delivered price	7	7	7	7	7	7	7	7	7	7	7.0	7.0
	100	100	100	100	100	100	100	100	100	100	100.0	100.0

SOURCE OF DATA: (a) California Tree Fruit Marketing Agreement, Marketing Policy Statements 1947-58 inclusive.

(b) Economic Section, Fruit & Vegetable Branch, A.M.S., U. S. Department of Agriculture.

(c) Average Season Prices 1947-58 inclusive computed from information supplied by growers and shippers of California fresh Elberta Peaches.

TABLE 13

CALIFORNIA FRESH PLUMS 4 x 5 size in 4 basket crates, all varieties, New York auction season Prices 1947-58.

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Harvesting												
Pick			.32	.32	.350	.500	.350	.350	.500	.500	.500	.500
Haul			.05	.05	.060	.060	.060	.060	.060	.060	.060	.060
Total	.41	.43	.37	.37	.410	.560	.410	.410	.560	.560	.560	.560
Door to F.O.B.												
Container			.50	.50	.580	.590	.580	.580	.560	.590	.590	.590
Door to door			.35	.35	.390	.490	.380	.380	.380	.400	.400	.400
Loading			.06	.06	.070	.070	.070	.070	.070	.070	.070	.070
Precooling			.06	.06	.060	.060	.060	.060	.060.	.060	.060	.060
Miscellaneous			.03	.03	.030	.030	.030	.030	.030	.050	.050	.060
Totel	.90	.95	1.00	1.00	1.130	1.240	1.120	1.120	1.100	1.170	1.170	1.180
Total door to F.O.B.	1.31	1.38	1.37	1.37	1.540	1.800	1.530	1.530	1.660	1.730	1.730	1.740
Freight & Ref.	.61	.68	.71	.71	.800	.852	.852	.852	.798	.838	.885	.864
Total tree to New York	1.92	2.06	2.08	2.08	2.340	2.652	2.382	2.382	2.458	2.568	2.615	2.604
New York Auction Av. Price	3.72	3.44	2.87	3.94	3.230	5.640	3.950	4.380	3.880	3.490	4.360	4.270
Less Selling Charge	.26	.24	.20	.28	.226	.395	.277	.307	.272	.244	.305	.299
Del. Sale Less Selling Chg.	3.46	3.20	2.67	3.66	3.004	5.245	3.673	4.073	3.608	3.246	4.055	3.971
Less Freight & Ref.	.61	.68	.71	.71	.800	.852	.852	.852	.798	.838	.885	.864
Return F.O.B.	2.85	2.52	1.96	2.95	2.204	4.393	2.821	3.221	2.810	2.408	3.170	3.107
Less door to door	.90	.95	1.00	1.00	1.130	1.240	1.120	1.120	1.000	1.170	1.170	1.180
Ret. Packing House	1.95	1.57	.96	1.95	1.074	3.153	1.701	2.101	1.710	1.238	2.000	1.927
Less harvesting	.41	.43	.37	.37	.410	.560	.410	.410	.560	.560	.560	.560
Return on tree	1.54	1.14	.59	1.58	.664	2.593	1.291	1.691	1.150	.678	1.440	1.367
Parity on tree	1.19	1.31	1.28	1.35	1.610	2.230	2.160	2.210	1.940	1.880	2.090	2.310
% of Parity	129	87	46	117	41	116.3	59.8	76.5	59.3	36.0	68.9	59.2

TABLE 13 (cont.)

CALIFORNIA FRESH PLUMS 4 x 5 size in 4 basket crates, all varieties, New York Auction Season Prices 1947-58

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
% of Grower return from Delivered sale	42	33	20	40	20	46	33	39	30	19	33	32
% of Transportation from delivered sale	16	20	25	18	25	15	22	20	21	24	20	20
% of Harvesting from delivered sale	11	12	13	10	13	10	10	9	14	16	13	13
% of Door to Door from delivered sale	24	28	35	25	35	22	28	26	28	34	27	28
% of Selling Charge from delivered sale	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100

SOURCE OF DATA: (a) California Tree Fruit Marketing Agreement, Annual Reports.

(b) California Tree Fruit Marketing Agreement, Marketing Policy Statements.

(c) Economic Section, Fruit and Vegetable Branch, A.M.S., U.S. Department of Agriculture.

TABLE 13

CALIFORNIA FRESH BARTLETT PEARS - Seasonal Weighted Average Auction Prices 1947-1958 inclusive, 36,000 pound car, standard pear boxes, delivered Eastern Seaboard.

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Harvesting												
Pick		.29	.29	.29	.32	.320	.340	.320	.350	.350	.350	.450
Haul		.06	.06	.06	.07	.070	.070	.070	.070	.070	.070	.070
Total	.35	.35	.35	.35	.39	.390	.410	.390	.420	.420	.420	.520
Door to F.O.B.												
Container		.60	.60	.63	.760	.770	.740	.740	.740	.740	.740	.740
Door to door		.56	.56	.59	.630	.580	.560	.560	.560	.560	.560	.610
Loading		.08	.08	.09	.090	.070	.070	.070	.070	.070	.070	.070
Precooling		.08	.08	.10	.100	.120	.120	.120	.120	.120	.140	.140
Miscellaneous		.03	.03	.06	.060	.065	.065	.065	.080	.090	.115	.115
Total	1.30	1.35	1.35	1.47	1.640	1.605	1.555	1.555	1.570	1.580	1.625	1.675
Total Tree to F.O.B.	1.65	1.70	1.70	1.82	2.030	1.995	1.965	1.945	1.990	2.000	2.045	2.195
Freight & Ref.	.95	1.08	1.13	1.13	1.140	1.189	1.189	1.189	1.189	1.247	1.329	1.314
Total Tree to Eastern Seaboard	2.60	2.78	2.83	2.95	3.170	3.184	3.154	3.134	3.179	3.247	3.374	3.509
All Auction Average Price	4.42	5.53	3.48	4.92	4.820	4.310	5.180	5.250	5.310	5.180	5.280	5.200
Less Selling Charge	.31	.39	.24	.34	.337	.302	.363	.368	.372	.363	.370	.364
Delivered Sale less Sell.Chg.	4.11	5.14	3.24	4.58	4.483	4.008	4.817	4.882	4.938	4.817	4.910	4.836
Less Frt. & Refrigeration	.95	1.08	1.13	1.13	1.140	1.189	1.189	1.189	1.189	1.247	1.329	1.314
Return F.O.B.	3.16	4.06	2.11	3.45	3.343	2.819	3.628	3.693	3.749	3.570	3.581	3.522
Less Door to door	1.30	1.35	1.35	1.47	1.640	1.605	1.555	1.555	1.570	1.580	1.625	1.675
Return Packing House Door	1.86	2.71	.76	1.98	1.703	1.214	2.073	2.138	2.179	1.990	1.956	1.847
Less harvesting	.35	.35	.35	.35	.390	.390	.410	.390	.420	.420	.420	.520
Return on tree	1.51	2.36	.41	1.63	1.313	.824	1.663	1.748	1.759	1.570	1.536	1.327
Parity on tree	1.92	2.07	1.70	1.82	2.190	2.260	2.200	1.950	1.780	1.750	1.810	1.820
% of Parity	.79	114	24	90	60.0	36.5	75.6	89.6	98.8	89.7	84.9	72.9

TABLE 13

CALIFORNIA FRESH BARTIETT PEARS - Seasonal Weighted Average Auction Prices 1947-1958 inclusive, 36,000 pound car, standard pear boxes, delivered Eastern Seaboard. (con't)

	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
% of Grower return from delivered sale	34	43	12	33	27	19	32	33	33	30	29	25
% of Transportation from delivered sale	22	20	33	23	24	28	23	23	22	24	25	25
% of Harvesting from delivered sale	8	6	10	7	8	9	8	7	8	8	8	10
% of Door to Door from delivered sale	29	24	38	30	34	37	30	30	30	31	31	33
% of Selling Charge from delivered sale	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100	7/100

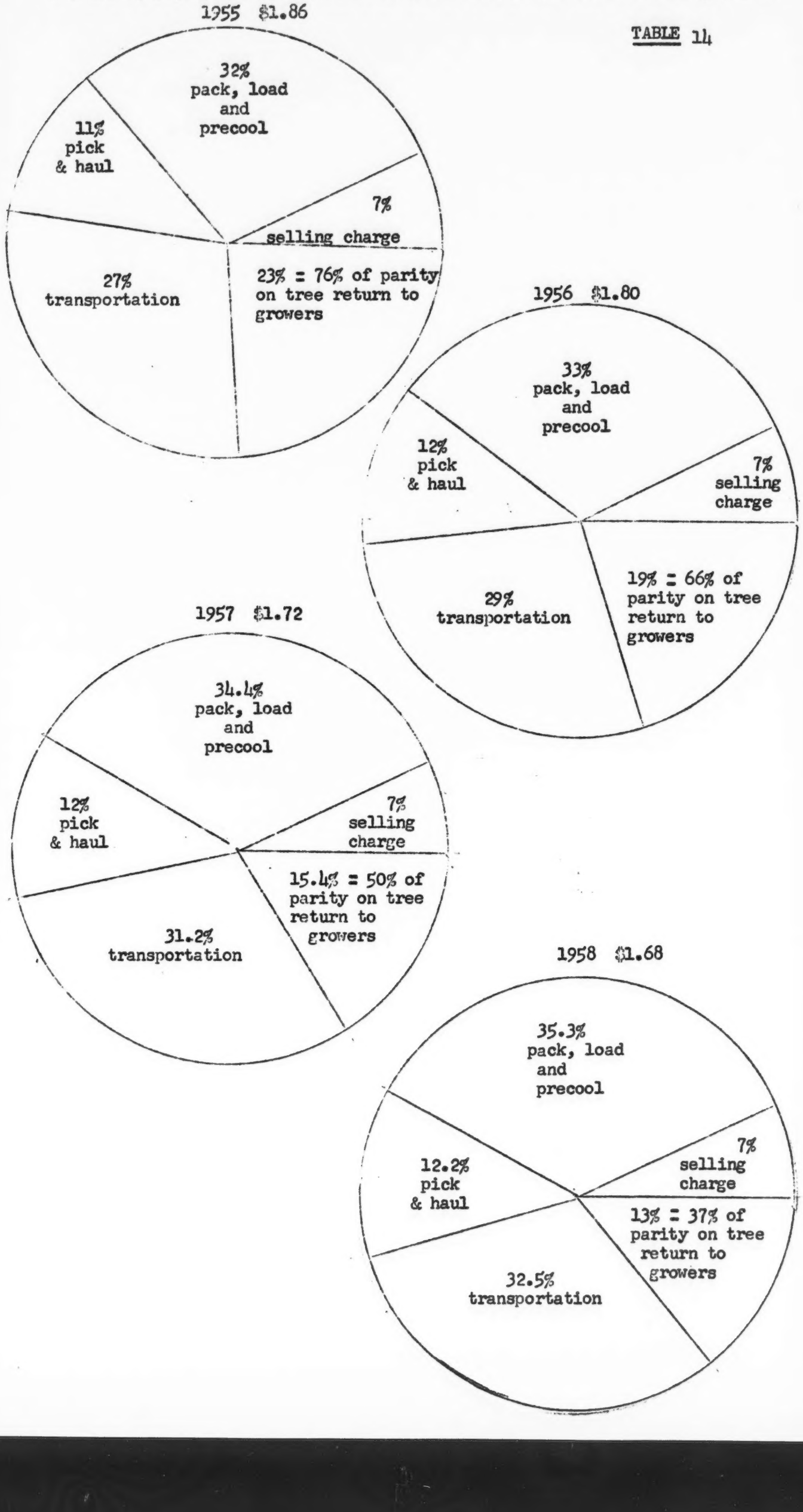
SOURCE OF DATA: (a) California Tree Fruit Marketing Agreement, Marketing Policy Statements 1947-1958 inclusive,

(b) Economic Section, Fruit & Vegetable Branch, A.M.S., U. S. Department of Agriculture.

(c) Federal-State Market News Service, Annual Summaries, Interstate Shipments of California Deciduous Tree Fruits, Weekly summaries. (auction prices)

CALIFORNIA FRESH ELBERTA PEACHES: Industry average season prices 1955-58 inclusive, 30,000 lb. car, California peach boxes delivered to Chicago, Ill.

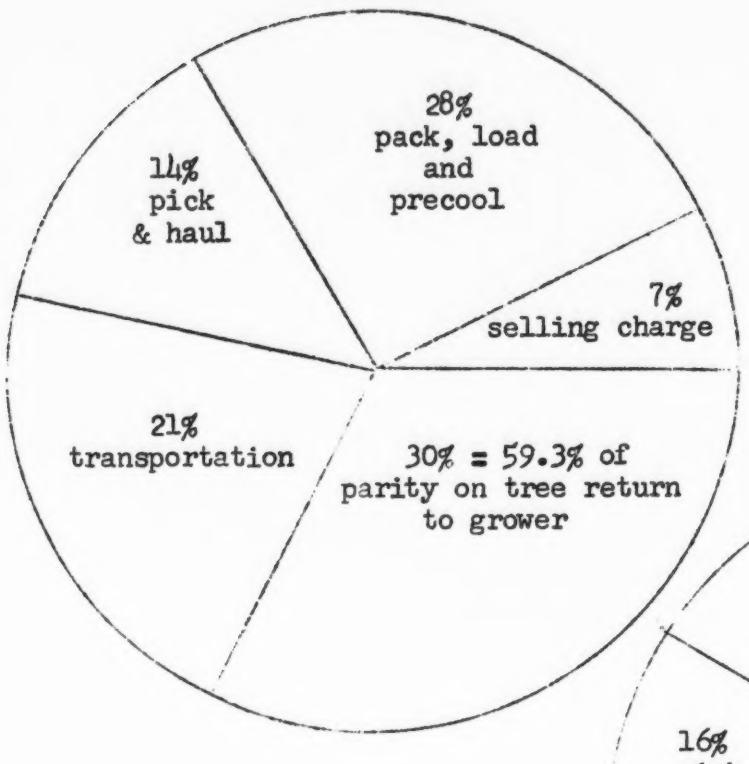
TABLE 14



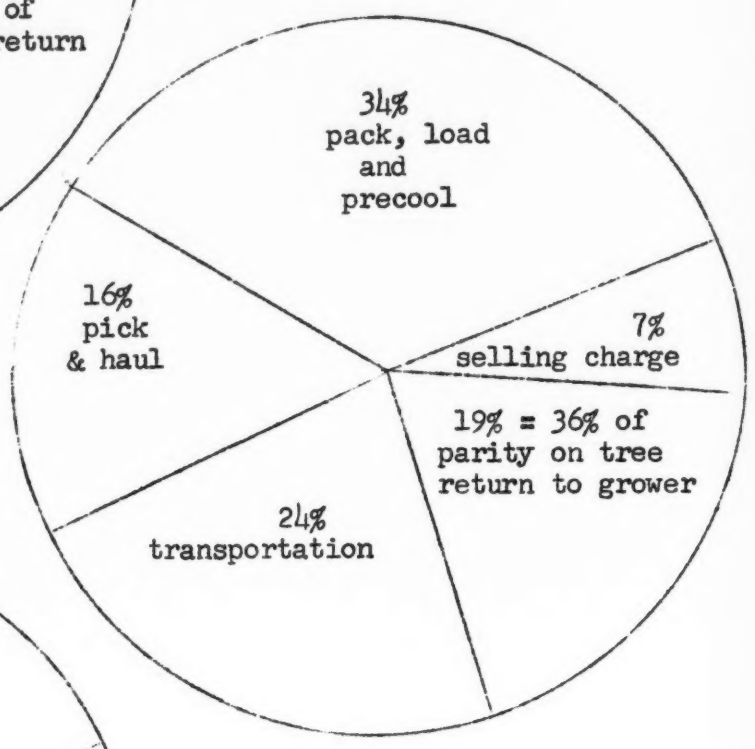
CALIFORNIA FRESH PLUMS: Plums 4 x 5 size in 4 basket crates, all varieties, New York auction season prices, 1947-58.

TABLE 14

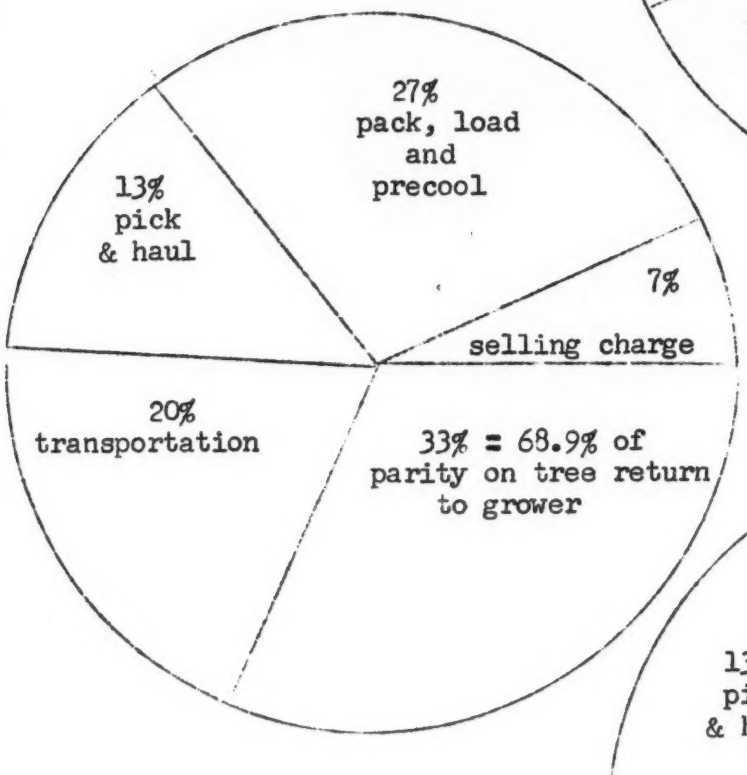
1955 $3.88



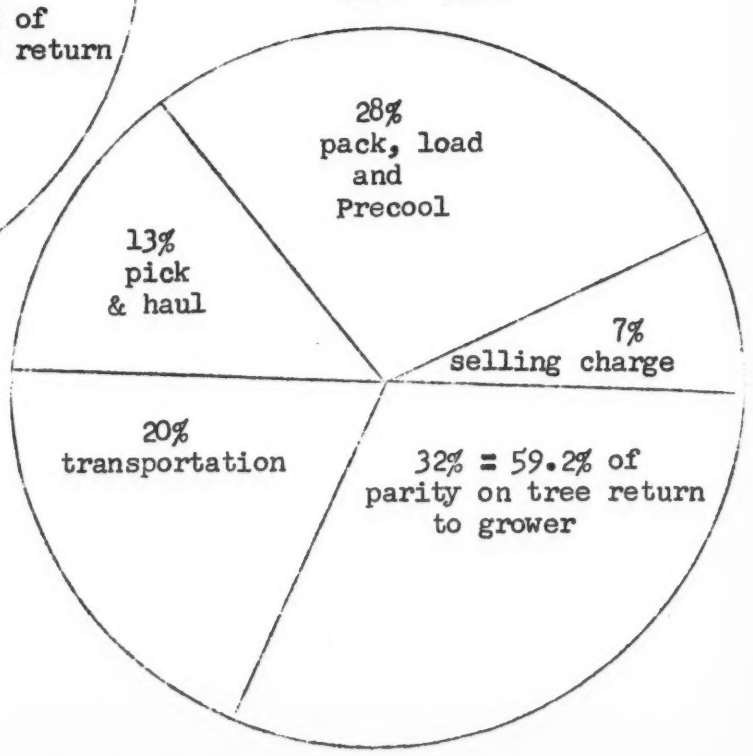
1956 $3.49



1957 $4.36

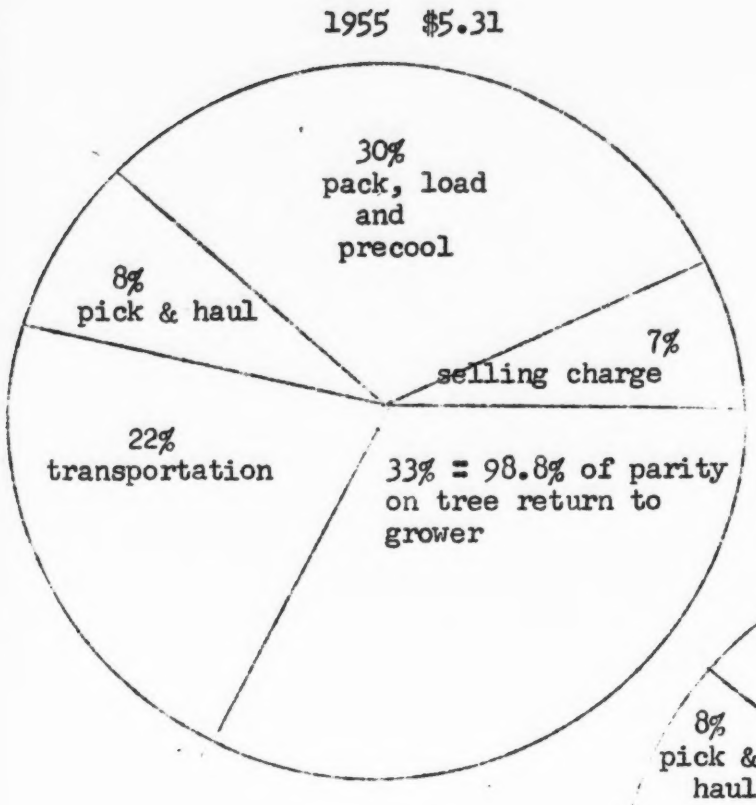


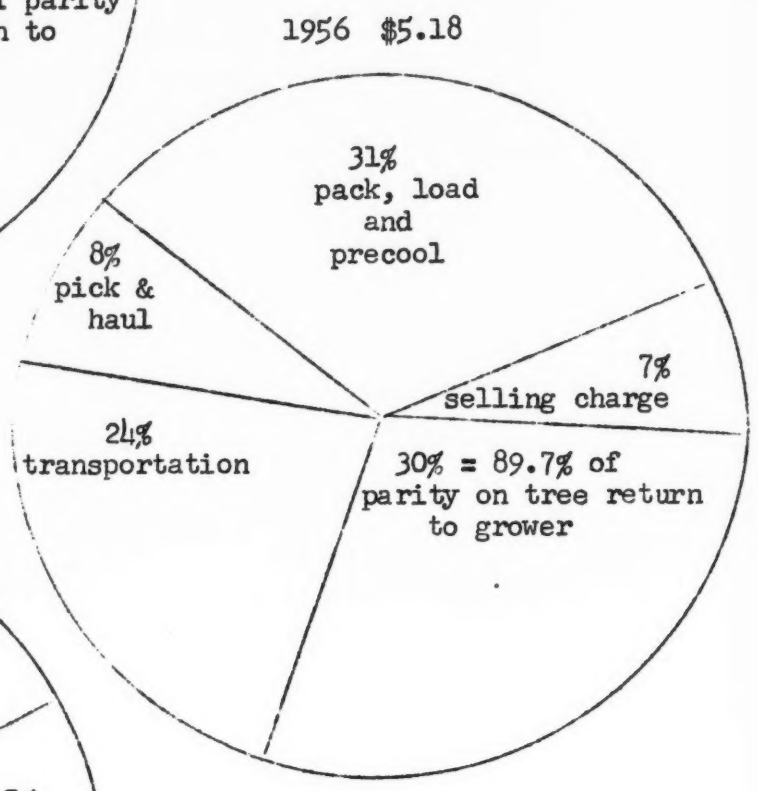
1958 $4.27

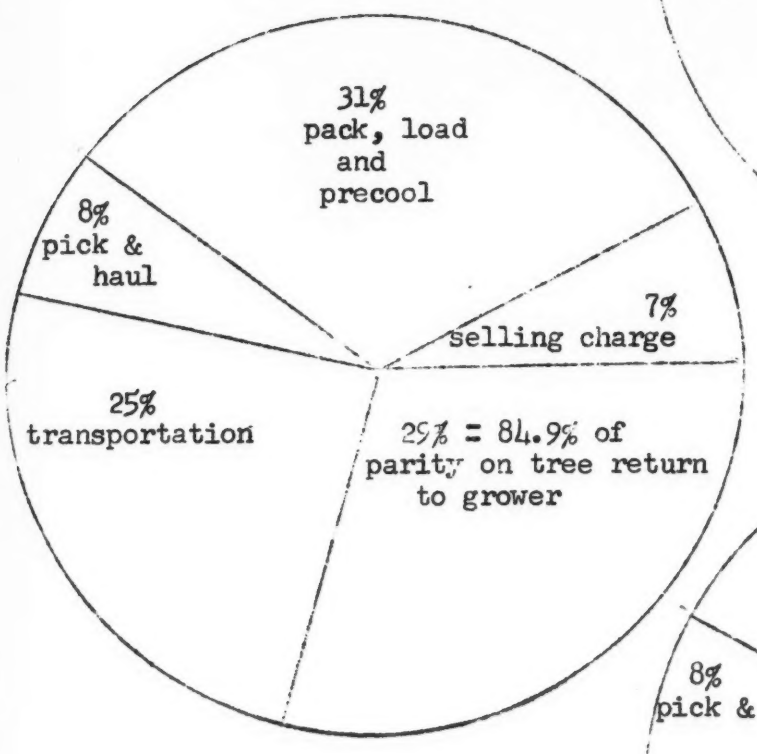


CALIFORNIA FRESH BARTLETT PEARS: Seasonal weighted average auction prices 1955-58 inclusive, 36,000 lb. car standard pear boxes delivered Eastern Seaboard.

TABLE 14







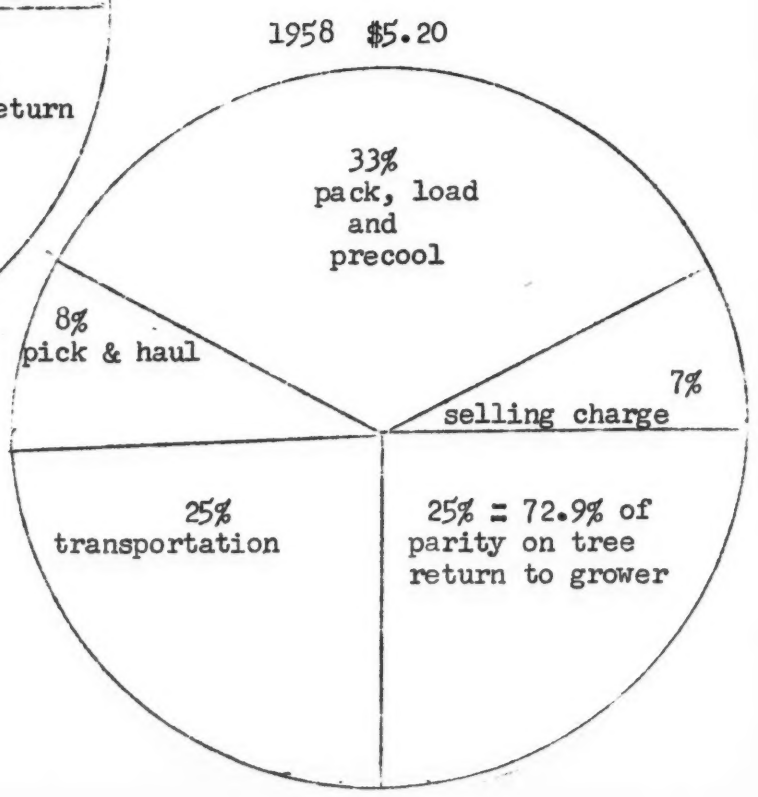


TABLE 15

CALIFORNIA BEARING ACREAGE OF SELECTED FRUITS AND NUTS
1940-1959

	Walnuts	Peaches	Apples	Plums	Grapes	Pears
1940	126,224	79,122	32,950	23,372	504,530	46,822
1941	124,303	79,247	31,817	23,031	511,564	45,611
1942	124,458	80,685	31,437	23,495	511,858	45,335
1943	125,768	81,873	30,336	23,748	511,886	45,238
1944	125,679	83,015	30,147	24,303	507,229	45,228
1945	126,941	82,853	29,480	24,043	499,809	44,885
1946	126,039	83,858	28,722	24,010	490,790	44,349
1947	126,299	81,521	27,444	24,095	489,052	43,309
1948	121,451	79,446	26,517	24,056	494,498	42,539
1949	115,772	78,502	25,790	23,945	496,636	41,170
1950	115,527	78,836	24,291	23,851	496,364	39,770
1951	114,212	78,545	23,882	23,464	480,834	39,756
1952	114,228	78,689	23,486	22,456	463,510	39,477
1953	114,972	79,329	22,302	21,936	454,096	38,855
1954	113,263	75,728	22,775	21,926	445,522	39,029
1955	114,215	75,625	22,059	21,094	423,774	38,806
1956	113,922	79,063	23,080	21,555	407,507	38,583
1957	118,746	78,899	23,043	22,340	399,000	38,691
1958	120,721	80,396	23,283	23,300	406,847	38,325
1959*	123,400	87,400	23,500	22,700	416,000	38,900

* Estimated

SOURCE: ACREAGE ESTIMATES CALIFORNIA FRUIT & NUT CROPS, CALIFORNIA CROP AND LIVESTOCK REPORTING SERVICE, U. S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL MARKETING SERVICE IN COOPERATION WITH CALIFORNIA DEPARTMENT OF AGRICULTURE.

TABLE 16

U. S. EXPORTS OF APPLES, PEARS AND GRAPES
1934-38 & 1951-55 Averages
1953-1958 Inclusive

	Average 1934-38	Average 1951-55	1953	1954	1955	1956	1957	1958
Apples (1,000 bushels)	10,017	2,122	1,494	2,054	2,220	1,836	5,407	2,451
Pears (1,000 bushels	2,647	719	743	693	800	1,002	1,663	1,003
Grapes (short tons)	26,906	57,711	48,649	57,040	71,715	72,641	77,355	82,517

SOURCE: INFORMATION & DATA RELATING TO WORLD PRODUCTION AND FOREIGN TRADE IN FRESH CITRUS & DECIDUOUS FRUITS,
U. S. DEPARTMENT OF AGRICULTURE, FOREIGN AGRICULTURE SERVICE.

Appendix to Table 16

UNITED STATES EXPORTS

APPLES

(1,000 Bushels)

	Average 1934-38	Average 1951-55	1953	1954	1955	1956	1957	1958
Europe								
United Kingdom	4,261	432	-	487	563	408	423	594
France	1,238	18	1	-	15	-	-	1
Other	3,064	199	114	81	231	21	2,995	180
Total	8,563	649	115	568	809	429	3,418	775
Latin America								
Cuba	91	193	170	166	205	178	193	181
Mexico	35	103	152	49	56	67	171	140
Venezuela	9	164	153	188	177	143	294	331
Brazil	133	68	24	-	2	3	1	-
Other	187	116	100	131	148	119	101	99
Total	455	644	599	534	588	510	760	751
Other Countries								
Canada	259	529	565	800	643	777	1,081	787
Philippines	109	109	93	70	37	24	23	9
Other	631	191	122	82	143	96	125	129
Total	999	829	780	952	823	897	1,229	925
GRAND TOTAL	10,017	2,122	1,494	2,054	2,220	1,836	5,407	2,451

Appendix to Table 16

UNITED STATES EXPORTS

PEARS

(1,000 Bushels)

	Average 1934-38	Average 1951-55	1953	1954	1955	1956	1957	1958
Europe								
United Kingdom	1,277	28	-	-	138	193	127	87
France	351	9	-	9	-	-	3	-
Other	380	118	192	96	118	170	794	262
Total	2,008	155	192	105	256	363	924	349
Latin America								
Cuba	25	46	43	35	42	49	49	36
Mexico	8	14	24	6	4	10	12	22
Venezuela	4	86	87	111	100	89	149	172
Brazil	88	75	62	15	3	6	15	1
Other	28	18	24	18	18	20	17	16
Total	153	239	240	185	167	174	242	247
Other Countries								
Canada	364	314	306	391	369	456	483	398
Other	122	11	5	12	8	9	14	9
Total	486	325	311	403	377	465	497	407
GRAND TOTAL	2,647	719	743	693	800	1,002	1,663	1,003

Appendix to Table 16

UNITED STATES EXPORTS

GRAPES

(Short Tons)

	Average 1934-38	Average 1951-55	1953	1954	1955	1956	1957	1958
Europe								
Sweden	522	352	10	629	838	1,185	2,787	2,040
United Kingdom	7,116	456	4	-	2,278	3,243	-	2,071
Other	659	36	17	71	91	646	1,965	589
Total	8,297	844	31	700	3,207	5,074	4,752	4,700
Latin America								
Cuba	994	2,419	1,931	2,170	2,004	2,233	1,884	1,459
Mexico	1,001	1,455	1,671	313	2,274	2,412	3,242	4,248
Venezuela	112	4,212	3,513	4,357	5,055	4,230	5,339	6,061
Brazil	503	856	299	171	-	53	157	-
Other	596	1,611	1,308	1,773	2,037	1,581	1,058	1,018
Total	3,206	10,553	8,722	8,784	11,370	10,509	11,680	12,786
Other Countries								
Canada	11,971	41,776	36,712	42,653	51,915	53,763	57,711	61,681
Other	3,432	4,538	3,184	4,903	5,223	3,295	3,212	3,350
Total	15,403	46,314	39,896	47,556	57,138	57,058	60,923	65,031
GRAND TOTAL	26,906	57,711	48,649	57,040	71,715	72,641	77,355	82,517

CALIFORNIA GRAPE AND TREE FRUIT LEAGUE

717 MARKET STREET, SAN FRANCISCO, CALIFORNIA

PROPOSED AMENDMENTS TO CALIFORNIA LABOR CODE

This League has prepared the following proposed amendments to certain sections of the California Labor Code concerning the conduct of public hearings by the California Industrial Welfare Commission and matters relevant thereto.

These amendments are intended to improve the method of promulgating orders regulating hours, wages and working conditions of women and minors by the Industrial Welfare Commission.

The amendments proposed are as follows:

Amendment specifying nature of public hearing to be accorded by Industrial Welfare Commission:

"§1178.5. Conduct of public hearing of Commission. The public hearing provided for in Section 1178 of this code shall be conducted in the following manner:

(a) The Commission in making any findings of fact or fixing any minimum wage or maximum hours of work or standard conditions of labor shall base the same solely upon evidence introduced at said hearing and all witnesses presenting same may be cross-examined by parties affected by the hearing on any matter relevant to the issues even though that matter was not covered in direct examination, subject to reasonable allocation or limitation of time.

(b) Parties affected by the hearing shall have the right, subject to reasonable allocation or limitation of time, to call and examine witnesses, to introduce exhibits, and to rebut evidence introduced by or on behalf of the Commission.

(c) Oral evidence shall be taken only on oath or affirmation.

(d) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Irrelevant and unduly repetitious evidence shall be excluded."

Section 1204, Labor Code, should also be amended to read as follows (amendment has been underlined):

"§ 1204. Prerequisites to effectiveness of order. No order made by the commission under the provisions of sections 1182 or 1184 of this chapter shall be effective unless and until compliance is had with the provisions of Sections 1178 and 1178.5 of this code."

We propose that Section 1187 of the Labor Code which renders findings of fact made by the Commission conclusive in the absence of fraud, be amended.

Amendment requiring wage board and Commission to consider effect of minimum wage upon competitive position of the industry:

To require both the wage board and the Commission to consider, in recommending or fixing a minimum wage, the effect of such minimum wage upon the competitive position of the industry in question, the following amendments are proposed for the Labor Code:

Section 1178 (a) to be amended to read as follows (language added is underlined):

"(a) An estimate of the minimum wage adequate to supply the necessary cost of proper living to, and maintain the health and welfare of employees engaged in the occupation, trade, or industry in question, after also taking into consideration maintenance of the competitive position of said occupation, trade, or industry as to its normal markets within the United States and prevailing competitive minimum wages, if any, in states."
(The version of Section 1178(a) proposed in A.B. 1223 has been used for the foregoing)

Section 1182(a), Labor Code to be amended to read as follows (language added has been underlined):

"(a) A minimum wage, to be paid to persons engaged in any occupation, trade, or industry in this State, which shall not be less than a wage, adequate to supply the necessary cost of proper living to, and maintaining the health and welfare of such persons, after also taking into consideration maintenance of the competitive position of said occupation, trade, or industry as to its normal markets within the United States and prevailing competitive minimum wages, if any, in other states, and which shall not be less than the applicable minimum, if any fixed by statute".

(The version of Section 1182(a), proposed in A.B. 1223 has been used for the foregoing).

* * * * * * * * * * * * * * * * * * * *

J. STANLEY

SENATE FACT FINDING COMMITTEE ON LABOR & WELFARE

HEARING JANUARY 26, 1960 - FRESNO, CALIF.

Statement by John Stanley, President of the Fresno County Farm Bureau

Honorable Senator Cobey and members of the Senate Fact Finding Committee on Labor and Welfare

As a representative of farmers of Fresno County I have spent much time and effort in seeking to locate the problems related to the employee-employer relationship of farmers and their employees and significance of these problems to the public in general.

I have no quarrel with the farm worker who is industrious, conscientious, honest, reliable and is earnestly seeking to better himself. By and large, a high percentage of our people engaged in farm labor can be so classified. However, there are exceptions, and it is these exceptions that constitute a real problem to our society. It is our duty as citizens to help these people as best we can. We have people engaged in numerous occupations who find it difficult to keep pace with their more energetic and industrious fellow workers; indeed this same problem exists within the ranks of farmers.

I am going to attempt to point up some facts supporting my belief that today's farm worker is in general:

(1) Far better off with material things than he was ten years ago.
(2) Better housed, clothed, and fed than before he emigrated to California from another state of foreign land.

My first point relative to the farm worker's economic status is:

There has been a constant increase in average farm wage rate between the years 1948 to 1958.

California	1948	1958	Increase
Monthly wage rate with house	$190.00	$269.00	42%
Hourly wate rate (no room & Bd)	.92	1.15	25%
Composite wage rate	.95	1.13	19%

Dept. Wage Rate Report
State Board

As wage rates have increased the number of hours actually worked has decreased. The number of days worked by the average U. S. farm worker was 180 days in 1948.

Today the average is 144 days. To make up the difference, wage rates would need to be raised 57% to maintain the same total earnings. Those workers who have been able to work more hours have faired fairly well; while those who have not put in a regular term of employment have earnings which are pitifully low.

The steady farm worker, acquiring new skills with machinery, has more than doubled his productivity ability in the past ten years. On the other hand the average farm worker doing hand labor has, in many cases, decreased his productivity. Wage rates have not truly reflected this change in the different levels of productivity. Low hours of work, and low productivity are chiefly responsible for the low yearly earnings of most of the farm workers who are in financial difficulty. The average wage rate is not the chief factor.

I have a steady employee who came to California in the Spring of 1958 from the State of Arkansas. In Arkansas he was receiving a wage of 50 cents per hour on a part-time work as available basis. Today he is receiving $1.15 per hour with steady year around employment. I hired him and his family at a rate of 90¢ per hour in 1958 to chop cotton. Finding him to be an honest reliable worker who desired to improve himself, I gave him steady employment at $1.00 per hour. In January 1959, I raised his wages to $1.10 per hour and in November of 1959 to a level of $1.15 per hour. These raises were granted voluntarily on my part and were in line with my employee's increased experience and productivity. I have two additional farm employees skilled at tractor driving who receive $1.50 per hour; yet these two individuals are less able to provide a good living for their families than the employee receiving $1.15 per hour. There are many, many farm workers who have a similar "success story", in fact, many have now become

successful farmers in their own right.

My second point is merely to raise some questions of the farm worker:

1. What kind of housing did the worker have in many of the Southern States, Mexico, Puerto Rico before moving to California.
2. Many workers of Japanese, Filipino and Mexican ancestry have few financial problems because of their productive ability, but are their housing conditions superior to that of other farm workers?
3. Compare the housing of these workers with that of some of the pioneers who settled this State less than 50 years ago, These pioneers solved their difficulties and our State is the better because of it.
4. Compare the housing of some of our seasonal migrant workers who move into our valley during harvest season with the summer camping facilities utilized by many of our citizens who migrate to the mountains and the seashore for short vacation periods.

However one of our key problems rests with the inflation and standard of living established by other segments of our society; namely, organized labor and organized big business which is causing considerable frustration among many of our people who are wondering why our farm laborers are finding it increasingly difficult to keep pace.

Real need exists for a program that will help the farm worker help himself; through education and training programs designed to increase the productivity of the worker; job certifications, incentative pay schedules, greater mechanization and, in general, less welfare programs.

Increases in prices of all commodities have reflected an increase in the cost of labor and management. There can be no other source for a price increase. The real trouble of the farmer and farm worker alike is that we are devoted to the fundamental concept of the American Way of Life, namely the voluntary free and competitive process (and I strongly hope that this system prevails) while much of the rest of our society believes and practices the compulsory, administered, and allotted way of bargaining for a

share of the economic wealth of this country.

The higher those wages become in industry and business resulting in higher costs of goods and services that the farmers must buy the less able he is to pay increased wages to farm employees. The wholesale price index now stands at 119.3 of the 1947-49 average while the index for farm products stands at 86.6.

I want to concentrate on the field of mechanization for a moment. I have pioneered in the mechanization of the raisin industry and have spent much effort in seeking to provide a more steady demand for the employment of workers in this commodity to the betterment of the worker and his family, the farmer, the consumer and the general public.

The grape industry is the greatest user of seasonal labor in California agriculture. This demand multiplies at least six times during the peak harvest period of September. This demand results in a large flow of migratory help into this County for an employment period of approximately 3 weeks for the majority of the seasonal workers. Many of our migratory workers found employment prior in cotton harvesting. This job opportunity has been sharply curtailed due to the mechanization which has taken place in that crop. Research is now in progress to reduce the man-hour requirements in grape harvest for raisins and wine by about 50 to 1. I have perfected a raisin handling device to reduce the manhours required to make raisins from 20 to 1. The University of California at Davis has a grape harvester under development to reduce requirements at least 65 to 1.

Mechanization will not solve all worker problems; in fact unless an adequate training program is carried on through our educational facilities, both public and private, to fit some of our displaced farm workers to other occupations they may have even less

opportunity to earn a high standard of living. This is true of the hand cotton picker today who has not as yet found a way of accepting the "challenge of change," Education has played a tremendous role in the progress of our country throughout history. The apathetic approach to the needs of education today is the most critical problem facing our country. Many of our social and economic problems are a result of the failure of education to meet its two basic objectives

1. to develop citizenship responsibilities and
2. to develop productive ability and desire to produce in all of our people.

Legislation <u>for</u> the people simply will not solve our problem.

G. MOODY

TESTIMONY OF GLEN A. MOODY, BAKERSFIELD, BEFORE THE SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE JANUARY 26, 1960

My name is Glen A. Moody. I own and operate a 160 acres farm in Kern County. One hundred thirty (130) acres of this farm are planted to Peaches and Nectarines grown entirely for the fresh market. In addition to operating the farm, I am involved in the operating of Kern Fruit Company which is a fruit packing and shipping business. This company has the responsibility of harvesting as well as helping with some of the other cultural operations of some 450 additional acres of Peaches and Nectarines, so that it is necessary for our organization to secure labor for and supervise the harvesting, packing and shipping of the fruit grown on nearly 600 acres of land. The orchards are young and so the production and the labor requirements are relatively small at the present time but are rapidly expanding.

Because Kern County has been considered favorable to early fruit production, most of the orchards are planted to early varieties. Our harvest season is from about May 5 to late in July with a very heavy peak during the first half of June. During this period we are competing for labor with the potato harvest which normally has its greatest labor demand at this time, as well as with thinning and girdling of the rapidly expanding grape acreage, harvesting of plums, and a considerable amount of weeding of cotton and other field crops and some vegetable harvesting.

In addition to the harvest season, we have a somewhat smaller labor requirement from January to October. We try to plan our work to keep the same basic crew busy during these months. For example, we are now pruning trees. We have several small crews working. By effectively using the various districts and varieties, we hope to keep these people busy until thinning time.

In order to get our thinning done in time to be effective, we will have to increase our crews considerably about April 1st. Again, by judiciously arranging our work around varieties and districts and maybe supplying a little busy work, we will keep this enlarged labor force working until harvest begins. After harvest there is the customary cultural work such as irrigating, fertilizing, and a certain amount of clean up, etc. that keeps a small force busy until fall.

So far, by newspaper advertising, personal recruitment, working with labor contractors and the fine cooperation of our local Farm Labor Office, we have been able to get enough local people to care for these non-harvest needs. For several years, however, we have had increasing problems at harvest time. Fresh market Peaches and Nectarines are not the easiest fruits to harvest, and when one is attempting to make a high quality pack with fruit at just the right maturity, it is extremely difficult to obtain a reliable labor force for this work. When you add to this the possibility and sometime during the season, the certainty, of a sudden warming of the weather so that the fruit ripens several days earlier than planned, the difficulties are multiplied. Some varieties must be picked every second or third day. A 24 hour delay in picking can easily cause a 30% cullage in that day's pick due to overripes. In short, during this critical period, we have ourselves a job.

It has been impossible for even the super-human efforts of the very fine local Farm Labor Office to double our harvest crews in a matter of two or three days. There just simply are not that many local laborers available for our season. Fortunately, for the past three years, we have been allowed

to import Mexican Nationals to get us over the hump during our peak season. The bracero program has, without doubt, saved my personal operation from heavy financial losses, and I would request strongly for a continuation and a modification of the program.

Some of you may ask why we do not plan ahead and have enough local laborers on hand to do our work. My answer is that we do plan ahead. We have this year already made plans with labor contractors and have talked our problems over at the local Farm Labor Office. We know now that this year somewhere between the thirtieth of May and the third of June, depending on the weather, we'll need to add about 50 pickers to our labor force. You may say 50 pickers are not many to add, but there are other influences. We handle only about one-fourth of the Kern County Peaches and Nectarines. The other growers and shippers will have the same needs, so 200 pickers will be needed in a two to three day period.

Now we will already have a crew working so we cannot build up our crew ahead of time without shortening the work days of those already employed, and, if our needed additional pickers arrive three or four days late, we can't use them at all for some varieties because the fruit will by then be too ripe for shipment. Our margin of profit is not large enough to pay laborers to sit around waiting for our fruit to ripen and certainly they are in no position to remain unemployed until the weather and season dictate a work day. Certainly the community assuming the burden by the relief route is an unfair request of the taxpayer. It seems to me that the most sensible solution imaginable is, that during the peak labor needs we import foreigners to supplement our domestic laborers and as soon as our locals can supply our

demands to then return the foreigners to their native land. If this procedure is followed, no American laborer is deprived of a job, no American is transplanted to another area only to soon find himself out of work and on relief. The community is not burdened with unemployed waiting for work nor unemployed having completed their work. The culture and the economy of our neighboring country is improved and Kern County's economy is strengthened because we get our fruit harvested.

As an example of the effectiveness of the bracero program, let me cite my personal experience of last year:

During 1959 only 3.7% of my payroll went to Mexican Nationals. This is a very small percentage yet they were useful at a critical time. They harvested over 20% of my fruit crop. There were no other laborers available and this 20% of my crop would have been lost had not the braceros helped. I assure you I am in no financial position to produce a crop and then because of an insufficient labor supply to sacrifice 20% of my income. As a matter of fact, if this 20% had been lost, I am afraid I would not be financially able to hire domestic laborers today. I am sure some of the local people are now employed because of the bracero program. I should like to add that because of the requirements and delays in obtaining braceros I actually did lose some fruit to over-maturity while waiting for the men.

I should like the privilege of discussing one of the problems we encounter with the bracero program and perhaps suggest an improvement.

Before our harvest season starts we find that in talking with labor contractors and employment officials, everyone is extremely optimistic about

the labor supply. An advertisement in the local paper would bring a lot of men in a hurry and a labor shortage in a couple of weeks seems impossible. In our area, the heavy demand for labor comes almost all at once. In a matter of a few days we change from an area of oversupply to one of a definite labor shortage. Everyone familiar with our crop program knows it will happen but certainly our labor office officials do not feel free to solicit additional labor or justified to admit braceros until we feel the pain. Certainly there would be criticism of even talk about recruitment before the shoe pinches. But, when we wait that long, the necessary red tape and delays in recruitment makes it impossible to bring in help soon enough. Here is how it works: On Wednesday I can tell by the appearance of the fruit and the weather forecasts that I will need more help Monday. If the help doesn't arrive until Tuesday, we'll have too much overripe fruit. Today we can't use them even though there are men available because the fruit isn't ripe yet. Now there are seven or eight other growers harvesting and they are facing the same problems. When Monday comes we find an actual labor shortage. By Tuesday, the problem is obviously so acute that we are given permission to get Nationals, but that takes time, so by Friday we have them IF we hurry. We have already, during this process, lost a considerable amount of fruit due to overmaturity.

We need more adequate forecasting of labor supply and demand, and we need the opportunity to arrange for a bracero program several days BEFORE we need them. The present regulations do not permit this. I should like to plead for a modification of the program along these lines.

Thank you for allowing me to speak for the bracero program. Certainly this program has done much to improve the economy of our industry, our community and to stabilize domestic employment in Kern County, California.

SENATOR WALTER W. STIERN
SENATE FACT FINDING COMMITTEE ON
LABOR AND WELFARE
PREPARED STATEMENTS
FRESNO HEARING
JANUARY 27 AND 28, 1960
~~VOL. III~~

SENATOR WALTER W. STIERN
SENATE FACT FINDING COMMITTEE ON
LABOR AND WELFARE
PREPARED STATEMENTS
FRESNO HEARING
JANUARY 26, 1960

VOL. II

"The Where and When of California Fruit and Nut Crops" -- Robert C. Rock - A. D. Rizzi. California Agricultural Experiment Extension Service. Manual 20 -- may be obtained on a loan basis either through the offices of the Senate Fact Finding Committee on Labor and Welfare or Agriculture.

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WEDNESDAY

MAY 1 5 1956
DOCUMENTS SECTION

R. B. BUNJE

STATEMENT OF RALPH B. BUNJE, MANAGER
CALIFORNIA CANNING PEACH ASSOCIATION
BEFORE THE SENATE FACT FINDING COMMITTEE
ON LABOR AND WELFARE AT
HACIENDA MOTEL - FRESNO, CALIF.
JANUARY 27, 1960

Mr. Chairman and members of the Committee, I should like to call your attention to the various charts and statistical data which is attached to the statement which I am going to make before your committee. I should like to review with the committee briefly the material which we have prepared for your consideration.

Based upon the facts which we have been able to gather and present to the committee, we would like to advise you as follows:

1 - There continues to be a real need for supplemental workers to harvest cling peaches;

2 - The ability to pay wages higher than those currently in effect must be related to farm income - only by substantially increasing the farm value of Cling peaches year after year, can higher wages be economically justified.

3 - California can lose its position as the major peach producing state in the United States if its growers and processors cannot remain competitive in production costs and if growers cannot get the labor they need to harvest their fruit. How important, economically, the Cling crop is can be seen in the fact its annual farm value ranges from $32,000,000 to $40,000,000 and the wholesale value of canned Clings, fruit cocktail and other Cling products was in excess of $150,000,000 last season.

4 - The rules and regulations that surround the use of foreign workers and the operation of the interstate and intra-state recruitment programs place unprecedented responsibilities upon State and Federal administrators. Through the operation of these rules, regulations and procedures, the administrators have the power to influence farm wage rates -

and wage costs to an extent realized by but a few people. For example:

Housing: "Suitable" housing for foreign workers, or intra and interstate domestic workers - a government official may rule according to his interpretation of applicable rules. This may involve - No referrals - No approval or extensive capital investments or approval, often depending on the whims of relatively poorly paid and overworked government representatives.

Transportation: "Suitable" and for "how far" and who should pay the costs - again the burden of responsibility often rests on the governmental representative as to what is proper and in accordance with policy and administrative decision.

Wage rates: Despite a complicated procedure for ascertaining the prevailing wage rates - the condition of employment, the yield and character of the crop are features needing interpretation by a government representative.

5 - When the demand is greater than the supply, farmers find themselves thrust on the mercy and judgment of often harried and understaffed government agencies, who operate in a political climate often influenced by a determined and sometimes irresponsible effort by organized labor to organize the farm workers and by well meaning social groups. Farmers are worried over this latter implication and it is an intolerable situation for the government employee who can end up pleasing no one.

It is easy to see why they are worried, the farmers have been badly squeezed by increasing labor charges and decreasing crop payments. In 10 years, hourly wages in peach orchards have gone up nearly 50% and piece rate payments have increased as much as 108%, in some cases. But, in the same period of time, there has been no increase in the price of the product he sells. The referral and placement of farm workers is not and should not be a social

function it should serve an economic purpose.

6 - The California peach grower has been able to pay the highest farm wage rates in the United States because, to date, he has been able to bargain effectively for reasonable prices for his fruit. However, there are economic limits. We cannot get higher prices than the market can afford and we can't automatically add labor charge increases on to our product price. The profit position of Cling growers was always affected by the yield they get from their orchard acres. If a grower loses part of his crop it could bankrupt him since a heavy share of his acreage production costs are in the fruit before harvest time.

Last year was an unprofitable season for growers but how much more unprofitable it would have been if we had not been able to get bracero help can be seen by subtracting one eighth of the total cash return from Clings. Our payments would have been down by $4,000,000.

7 - Farm mechanization has led to changed patterns of seasonal farm employment. There is no longer a sustained opportunity for farm work for long periods of the year. The solution is not to be found in social, or wage, or conditions of employment alone. The importance of maintaining the production of farm products in California must be taken into account. The data will show that peaches cannot be expected to meet rising costs in California that are greatly higher than in competitive regions domestically and abroad.

The committee has no doubt already found that this is not a simple problem of social adjustment. During the 30s we had a farm labor problem that resulted from an over-supply of unemployed Southwest farmers and farm workers. Today we have a farm labor

problem that results from a shortage of available workers and low prices for many hand labor crops not yet mechanized. The solution must be achieved in a logical, not emotional, approach that gives due consideration to the economic factors involved.

STATEMENT AND EXPLANATION CONCERNING PEACHES

California is the major peach producing state in the United States. Using figures supplied by the U.S.D.A., our state's production in 1958 accounted for approximately 46% of the nation's peach crop (Clingstone and Freestone). Clingstone peaches are nearly all grown in California. California produces 90% of the nation's canned peaches.

Approximately 2,700 Cling growers cared for 67,000 acres of Cling peaches in 1958, and 1,100 Freestone growers cared for 58,000 acres of Freestones (Chart 1a.).

These California growers find themselves in competition for a place on the consumer's table with out-of-state fruit growers, foreign fruit growers, and such items as packaged desserts, and various fruit drinks (Charts 5a, 5b, 5c, 5d.).

California peaches are competing with peaches grown in South Africa, South America, Australia and Europe - all having access to cheap labor.

One of the most significant competitive factors to an entrepreneur are wage levels. Wage costs are instrumental in determining production, marketing strategy, and profit levels. California farmers in 1957 paid, during the July 1 quarter, $1.09 per hour. During the same quarter South Carolina (the leading peach producing state other than California) paid $.42 per hour, while the third largest peach producer - Georgia - paid $.49 per hour (Chart 8a.). These states accounted for about 11% of the national peach production. California, on the other hand, accounted for about 56% of the nation's peaches in 1957. (U.S.D.A. Crop Reporting Service). In 1959, wages paid for peach harvesting in California were 36% higher than the leading five peach producing states (Chart 8a.). The per cent differences ranged from 62% for South Carolina to 13% for New Jersey (Chart 8a).

Internationally a very significant picture presents itself. Wages paid for orchard labor in South Africa in 1957 averaged from $9.00 to $13.00 per month with $11.00 allowance for food and shelter. This breaks down to 4¢ per hour take home, based on 10 hours per day - 26 days per month. Australia's wages for farm labor ranged from $160 to $170 per month (Chart 8a). This gives the Australian farm worker a rate of 62¢ per hour or comparable to the wages paid in Virginia, Florida, and Texas. South Africa and Australia accounted for about 11% of the world's canned deciduous fruit.

In California over a 20 year period the cost of labor, unskilled and skilled, for peach farming has increased 277% on a 30 acre ranch. (Chart 3a). In a 10 year period, hourly wages have increased 50% for harvest work, while piece rate payments have increased 108% (Chart 7a). This rise in wage rates has occurred because the California farmer has been forced to compete with a rising industrial and merchantile economy. In 1959 the average piece rate was 18.5¢ per 40 pound box. This meant that a worker picking 10 boxes an hour earns $14.80 in an 8 hour day. (Chart 7a) It is not unusual for a picker to pick 90 to 100 boxes in 6 hours.

The Mexican National (Bracero) has found his way into the agricultural system of the United States specifically as a reserve labor supply. This reserve, or supplemental labor supply, is drawn upon when domestic labor has been found in short supply. For example, in California the past several years the production levels have been high, while the supply of local and migratory workers has been decreasing. Many domestic workers who once came to California to work the crops during the harvest season settled down in nearby industrial areas and found steady employment. Others were able to purchase or make a down payment on either a California farm or a farm in their home state. In the past five years, even though the supply of domestic labor has been diminishing, the Bracero has been performing about 9.8% of the total labor utilized in the peach harvest. (Chart 6b). The reason

for his appearance has basically been a question of supply and demand. When the peak of the season occurs, a period of about 2 weeks in August, the demand for domestic labor is very high. The available supply is exhausted leaving a shortage which is filled by this reserve labor pool.

Care should be taken to insure that the California farmer's competitive position remains equitable in terms of the competition he faces from other states and foreign agricultural areas.

It is evident from the wage analysis (chart 8a) that California has paid the highest wages in the United States for peach labor. The peach farmer has had to use Braceros when the domestic labor force has been in short supply.

California peach farmers have been able to pay higher wage rates because they have been able to receive reasonable prices in most years. Over a 10 year period the peach grower (Cling) has received 94% of parity. This has been accomplished through the efforts of the California Canning Peach Association. Even though the farm price for peaches has been higher - measured by parity - than most agricultural commodities, the grower has been receiving only 17% of the consumer's dollar (chart 3c), during that 9 year period.

Chart 1a.

Acreage - California, Principle States available, and Principle Foreign Countries

California	1950	1951	1952	1953	1954	1955	1956	1957	1958
Clings									
Bearing	43,526	41,803	42,663	43,083	43,775	42,872	44,746	46,873	46,469
Non Bearing	9,277	8,860	8,934	12,039	11,866	13,001	17,421	21,629	20,028
Total	52,803	50,663	51,597	55,122	55,641	55,873	62,167	68,502	66,497
Freestones									
Bearing	33,134	32,140	32,050	31,888	31,793	30,593	32,223	32,720	33,571
Non Bearing	6,543	6,835	7,137	7,258	7,977	11,250	13,639	15,387	14,676
Total	39,677	38,975	39,187	39,146	39,770	41,843	45,862	48,107	48,247
GRAND TOTAL	92,480	89,638	90,784	94,268	95,411	97,716	108,029	116,609	114,744

South Carolina *	1957	1958	1959
Total		46,759	47,685

Pennsylvania *	
Total	12,214

New Jersey *	
Total	9,239

Virginia *	
Total	7,666

Australia *	1952	1955
Total	22,592	21,463

South Africa *		
Total	27,028	26,213

Source: Cling Peach Advisory Board
Calif. Fruit and Nut Reports USDA
State Crop Reporting Service
FAS-M 61 Foreign Agricultural Service USDA

* Acreage figures for States other than California, and the two foreign countries are based on tree counts. Acreage derived on a basis of 108 trees per acre. This may vary by area.

Chart 1b.

Production - California, Principle States, and Major Foreign Countries
Short ton weights

	1950	1951	1952	1953	1954	1955	1956	1957	1958
California									
Clings									
Processed	427,086	569,836	447,022	526,396	442,926	522,412	586,865	516,460	492,163
Other *	75,364		78,886		90,720		47,909	105,869	
Total	502,450	569,836	525,908	526,396	532,646	522,412	634,774	622,329	492,163
Freestones									
Processed	54,000	80,200	79,300	74,000	85,000	81,200	123,200	94,300	118,900
Other *	176,000	181,800	180,700	174,000	193,000	192,800	179,800	196,700	156,100
Total	230,000	262,000	260,000	248,000	278,000	274,000	303,000	291,000	275,000

1950	Total Production	Having Value
Michigan	115,200	112,800
Pennsylvania	52,656	52,656
New Jersey	40,896	40,896
Colorado	29,256	29,256
Arkansas	39,600	39,600

1951	Total Production	Having Value
South Carolina	119,520	103,320
Georgia	94,400	90,600
Pennsylvania	58,800	58,800
New Jersey	47,808	47,808
Virginia	42,504	42,504

1952	Total Production	Having Value
South Carolina	84,000	84,000
Michigan	81,600	79,200
Pennsylvania	61,680	61,680
Georgia	59,904	57,504
Colorado	49,272	41,880

1953	Total Production	Having Value
South Carolina	91,200	91,200
Georgia	79,488	79,488
Michigan	68,880	68,380
Pennsylvania	57,600	57,600
New Jersey	45,264	45,264

1954	Total Production	Having Value
South Carolina	86,400	86,400
Pennsylvania	74,400	74,400
Georgia	72,000	72,000
Michigan	61,200	61,200
Colorado	53,520	53,520

1955	Total Production	Having Value
Pennsylvania	69,600	69,600
Michigan	55,200	55,200
Colorado	50,640	46,800
Washington	50,400	50,400
New Jersey	40,800	40,800

Continued on Next page.

Chart 1b. Cont.

1956	Total Production	Having Value
South Carolina	104,400	104,400
Michigan	62,400	62,400
Pennsylvania	56,160	56,160
Arkansas	54,000	49,320
New Jersey	50,400	50,400

1957	Total Production	Having Value
South Carolina	105,600	105,600
Michigan	70,800	70,800
Pennsylvania	55,200	55,200
New Jersey	48,000	48,000
Colorado	20,400	20,400

1958	Total Production	Having Value
South Carolina	127,200	123,840
Georgia	96,000	90,600
Michigan	76,800	76,800
Pennsylvania	72,000	72,000
New Jersey	62,400	62,400

Source: Fruit Non Citrus 50-58 USDA
Calif. Crop & Livestock Report 261
Cling Peach Advisory Board

Tonnage figures for states other than California based on 48 pound bushel conversion to short ton weights.

* Other in Calif. Clings designates surplus accounted for by the Cling Peach Marketing Order.
Other in Calif. Freestones designates other uses - dried, frozen, and fresh. Home use is negligible.

Foreign

	1947-1948	1956-1957	1960-1961
Australia Peaches Total	66,651	52,296	--
South Africa Peaches Total	18,705	43,345	62,300 (Forecast estimate)

Source: FAS-M 61 Foreign Agricultural Service USDA

Chart 1b (continued)

CANNED PEACHES: Production in specified countries
annual 1950-1958

Country	Crop Year								
	1950	1951	1952	1953	1954	1955	1956	1957	1958
	1,000 45-pound cases								
Argentina	1/	792	833	292	667	833	333	1,458	1,167
Australia	1,467	1,913	1,770	2,565	2,172	1,789	1,477	2,292	1,700
Canada	870	1,139	878	871	1,163	1,477	870	1,410	1,245
Germany, W	1/	1/	1/	15	44	39	24	15	20
Union of So.Africa	617	450	859	1,021	1,285	1,485	1,486	2,393	1,489
United Kingdom	1/	1/	1/	1/	159	279	244	393	319

1/ Not available

Source: FAS - Foreign Agr. Service
(Unpublished Data 1959)

Chart 2a.

California Canned Cling Peaches, Canners' Pack, Carry-Over, Shipments, and Exports
1949-50 to 1958-59

Marketing year, June Through May	Pack	Canners' stocks on hand at beginning of year	Total supply	Canners' stocks on hand at end of year	Total f.o.b. movement from canners' hands	United States government direct f.o.b. purchases			United States exports	F.o.b. Commercial domestic movement
						Sch. lunch program	Quarter-master	Total		
	Thousands of cases; 24 No. 2½ basis									
1949-50	16,525	3,061	19,586	2,058	17,528	1,196	234	1,430	483	15,615
1950-51	14,417	2,058	16,475	531	15,944		1,173	1,173	484	14,287
1951-52	19,145	531	19,676	3,418	16,258	446	1,734	2,180	430	13,648
1952-53	14,964	3,418	18,382	2,328	16,054	206	983	1,189	514	14,351
1953-54	17,163	2,328	19,490	2,708	15,782	763	510	1,273	803	14,706
1954-55	13,818	2,708	16,526	558	15,968	843	69	912	970	14,086
1955-56	17,923	558	18,481	1,556	16,925	a/	495	495	1,407	15,023
1956-57	21,322	1,557	22,879	4,579	18,300	599	372	971	2,321	15,008
1957-58	18,484	4,579	23,063	2,482	20,581	567	468	1,035	2,621	16,925
b/ 1958-59	17,545	2,482	20,027	3,039	16,988	591	225	816	2,250	13,922

a/ No centralized f.o.b. purchases of clings by School Lunch were reported for 1955-56, although School Lunch issued clings presumably acquired at local points.

b/ Preliminary; subject to revision

Source: Cling Peach Advisory Board, Canners League of California, and U. S. Departments of Agriculture, Commerce, and Defense

Chart 2b.

Utilization, Pack (2½ canned Clings), and Grower - Canner Price Relationships

Year	Tonnage Regular Pack	Case Yield	Cases #2½ basis Reg. Pack	Average f.o.b. Price	Growers Price	Fruit Total Value	Fruit Per case Value	Growers share of f.o.b. price Percent
1950	308,185	46.78	14,417,249	$5.17	$60.00	$24,496,000.	$1.28	24.7
1951	415,428	46.08	19,144,878	5.53	77.50	42,255,000.	1.68	30.3
1952	322,488	46.40	14,964,382	5.32	65.00	27,670,000.	1.40	26.3
1953	374,738	45.80	17,162,598	5.12	55.00	27,568,000.	1.20	23.4
1954	292,653	47.22	13,818,264	5.17	55.00	23,273,000.	1.16	22.4
1955	362,141	49.49	17,923,302	5.70	80.50	40,163,000.	1.62	28.4
1956	415,870	51.27	21,322,416	5.35	70.00	39,160,000.	1.37	25.6
1957	352,007	52.51	18,483,696	5.10	65.00	31,569,000.	1.24	24.3
1958	331,746	52.89	17,545,331	5.36	66.00	30,494,112	1.25	23.3

Source: A.C. Nielson - Report to Cling Peach Advisory Board
Pacific Coast Canned Fruits - F. O. B. price relationships - Sidney Hoos.
Cling Peach Advisory Board publications - Statistics.

Chart 2c

CANNED PEACHES: United States exports by country of destination, average 1950-54, annual 1954-58, and total value of exports, average 1950-54, annual 1954-58

Source: FAS-Foreign Agr. Service (Unpublished Data 1959)

Country of destination	Average 1950-54	Year beginning June 1 1954	1955	1956	1957	1958
	1,000 cases 24/2½'s ----- 45 lbs. -----					
Europe:						
Belgium-Luxembourg	86.3	99.3	103.0	111.3	180.4	138.5
Denmark	2.4	2.2	5.5	4.9	4.4	9.6
France	2.5	.2	.1	.5	.5	1.8
Germany, West	11.4	48.5	17.2	356.4	811.5	617.8
Ireland	5.0	24.7	52.2	19.2	22.2	36.8
Italy	.5	1.2	.7	1.0	1.7	1.6
Malta,Gozo & Cyprus	.2	1.1	2.2	.8	.4	---
Netherlands	29.5	69.0	54.0	83.8	112.6	126.6
Norway	1.0	2.2	23.8	93.8	75.1	63.7
Sweden	26.2	62.4	157.0	119.0	222.4	185.9
Switzerland	24.0	22.0	44.0	49.8	59.2	41.4
United Kingdom	72.0	168.9	384.2	741.1	294.3	416.8
Other	1.2	---	1.2	5.5	7.6	11.4
Total	252.2	501.7	845.1	1587.1	1792.3	1651.9
Latin America:						
Brazil	7.2	28.4	---	.1	----	---
Canal Zone	2.8	2.8	1.8	2.1	.8	---
Colombia	1.6	1.8	1.2	2.0	.1	---
Costa Rica	2.2	.5	1.5	1.7	.1	---
Cuba	119.8	95.8	122.0	125.0	178.1	103.0
Dominican Republic	1.1	---	.2	.5	.2	.4
Ecuador	3.5	4.6	2.5	2.8	2.0	2.0
Guatemala	.3	---	.6	.9	1.3	1.1
Honduras	.5	.1	.3	.4	---	.1
Mexico	1.6	.7	.1	---	1.4	.5
Panama,Republic of	5.1	5.6	3.3	3.1	10.0	3.8
Peru	29.7	23.5	51.6	26.8	35.7	1.4
Venezuela	22.6	21.3	40.6	27.7	51.1	72.3
Other	1.4	----	.1	1.5	.4	2.1
Total	199.4	185.1	225.8	194.6	281.2	186.7
Belgian Congo	1.4	1.2	.1	3.4	----	----
Malaya & Singapore	2.7	3.4	7.6	9.8	4.9	4.5
British West Indies	4.5	6.6	5.6	6.9	28.1	14.5
Canada	117.9	188.1	165.6	389.6	407.4	306.6
Hong Kong	2.9	3.7	6.0	6.1	4.2	4.1
Indonesia, Rep. of	.9	.6	---	1.8	.2	---
Israel-Palestine	1.6	2.5	.9	1.1	1.6	.6
Japan	2.1	1.4	.5	2.5	1.5	.5
Morocco	.9	.6	1.3	2.3	1.1	.5
Netherlands Antilles	1.7	.3	1.1	.2	1.3	.7
Philippines, Rep.	12.4	10.9	6.8	42.2	13.1	2.5
Portuguese Guinea	.4	---	.5	1.0	1.4	.8
Saudi Arabia	2.4	.9	3.0	2.3	3.0	1.8
State of Bahrein	6.4	15.1	15.6	8.7	.6	2.7
Syria-Lebanon	.7	.5	1.0	.5	1.0	.3
Other	19.5	47.6	120.6	60.7	77.6	60.7
Grand Total	640.0	970.2	1407.1	2320.8	2620.5	2239.4
Total Value($1,000)	3,782	5,610	9,003	13,824	14,927	13,578

Chart 2d

Foreign Prices

Under the Export Act, minimum export prices determined for South African canned fruit require the approval of at least 80 per cent of the canners and the Minister of Agriculture. Export permits are denied producers who fail to utilize the approved official price schedules.

In Australia, prices are determined by the Australian Canned Fruit Board. The canners sell through agents in the United Kingdom authorized by the Board and at prices not less than those previously determined. All sales are made on a forward basis. Consignment sales are permitted only when unusual circumstances exist.

There is usually close agreement between Australian and South African minimum prices on canned fruit marketed in the United Kingdom. On many occasions, the prices are identical.

Peaches

Year	U. S.[1]	Common-2 wealth
	Dollars per doz. cans[3]	Dollars per Doz. cans[3]
cost, insurance, freight:		
1955	3.23	3.88
1956	3.43	4.03
1957	3.39	4.41
1958	3.16	4.13
1959	3.46	3.64
Landed, duty paid:		
1955	3.71	4.07
1956	3.94	4.22
1957	3.90	4.61
1958	3.63	4.32
1959	3.98	3.82

1. Based on price quotations in March of the year shown.
2. Minimum prices established for Australian and South African canned fruit. South African minimum prices were slightly higher for peaches in 1957.
3. Choice grade No. 2½ cans.

These price calculations do not allow for quantity discounts by Commonwealth shippers. For the 1959 season, these were as follows:

Number of cases	Discount per case Dollars
20,000 to 39,999	$ .069
40,000 to 59,999	.139
60,000 to 79,999	.208
80,000 and over	.278

Source: FAS - M 61 Foreign Agricultural Service USDA

Chart 3a

University of California Extension Service - Arthur Shultis
Cost of Producting 30 Acres of Cling Peaches in California
Sacramento Valley
These sample costs are typical of better orchard - not average cost

	1938 10 tons/acre			1958 13 tons/acre			per cent
	Hrs.	$/Hr.	Cost/A.	Hrs.	$/Hr.	Cost/A.	increase
MAN LABOR HOURS							
Hand work, prune, thin, pick		$ .30			$1.25		Productivity Increase 47%
	29 hr./T			20 hr./T			
Skilled Irrigate Drive tractor		.30			1.45		
Total	293 hrs.		$87.90	261 hrs.		$331.45	277%
Tractor - Oper.	11	.50	5.50	12	1.40	16.80	
Truck - Overhead	13	.60	7.80	11	1.70	18.70	
	24		13.30	23		35.50	166%
TOTAL LABOR & FIELD POWER			$101.20			$336.95	262%
MATERIAL COSTS							
Sprays							
Fertilizers							
Other							
Total			$ 26.69			$ 63.13	136%
OTHER COSTS							
Gen. Expense							
County Taxes							
Repairs							
Compensation							
Insurance							
Total			$ 16.09			$ 51.00	216%
Total Cash Costs			$143.98			$481.08	235%
Depreciation			34.25			73.50	
Interest			24.80			102.00	
			59.05			175.50	197%
GRAND TOTAL (all cost per acre)			$203.03			$656.58	223%

Chart 3b

Average Costs of Processing Cling and Freestone Peaches
Expressed as a percentage of sales value, f.o.b. cannery 1948 - 1949

Cost designation	Cling Peaches 1948 %	Cling Peaches 1949 %	Freestone Peaches 1948 %	Freestone Peaches 1949 %
Raw product (includes raw fruit plus the cost of procurement)	36.4	28.7	Not Available because of inadequate sample.	23.6
Cans	15.1	20.4		15.3
Sugar and/or condiments	8.0	10.6		12.8
Direct labor	12.0	13.0		19.7
Shipping cases	2.6	3.4		2.0
Indirect operating costs	11.1	14.0		10.0
Warehouse and shipping	4.0	5.2		4.3
Selling and Administration	10.6	11.1		10.1
Gross profit	0.2	(-6.4)*		2.2
Sales Value (f.o.b. cannery)	100.0	100.0		100.0
Percent of national pack	16.3	12.9		16.7

*Net Loss

Source:
"The Marketing and Transportation Situation", USDA, BAE, MTS - 96 May, 1951

Chart 3c.

Cost of Distribution - Cling peaches No. 2½ size - Included: Retail profit & Growers share of Consumers retail dollar.

	1950	1951	1952	1953	1954	1955	1956	1957	1958
Consumers prices (Dec-Jan)	$ 7.58	$ 8.12	$ 7.88	$ 7.62	$ 7.52	$ 7.54	$ 8.08	$7.68	$ 7.60
F.o.b. prices cannery	5.17	5.53	5.32	5.12	5.17	5.70	5.35	5.10	5.36
Distribution costs and retail profit	2.41	2.59	2.56	2.50	2.35	1.84	2.73	2.58	2.24
Growers percent of consumers retail dollar	16.9%	20.6%	17.8%	15.7%	15.4%	21.5%	17%	16%	16.5%

Source: A.C. Nielsen - Reports to Cling Peach Advisory Board
Hoos Report - Pacific Coast Canned Fruits - F.o.b. Price Relationships

Chart 3d

Cling Peaches - Cost per case in 1954 to pack and sell by canners.

		Cling Peaches 24 No. 2½ cans Choice Halves Per cent of Cost
Total -- All labor		13.6
Direct labor	9.1	
Supervisory and indirect	2.0	
Payroll taxes and compensation insurance	0.7	
Royalty - Labor saving machines	1.8	
	13.6	
Raw product (includes raw fruit plus cost of procurement)		31.4
Cans		19.1
Cases		2.7
Sugar		10.5
Fuel, power and water		0.6
Direct supplies		0.2
Factory Burden		6.2
Labels plus allowance		1.6
Warehouse labor		2.0
Freight and distribution		1.7
Marketing Cost total		10.4
Brokerage, cash discount and swells.	4.5	
Financial, administrative and general selling	5.9	
	10.4	
GRAND TOTAL TO PACK AND SELL		100.0

Source: 1955 United States Senate Study - Study was made by the U. S. Senate Committee on Agriculture and Forestry, by the Library of Congress Legislative Reference Service assisted by specialists in the USDA, and the Fruit and Vegetable canning industry.

Chart 4

Tariff Schedules - Peaches packed in tin containers
Principle Foreign Importers of United States Peaches

Arranged by volume within Area	1950-54	54	55	56	57	58
Europe						
*West Germany	/ 25% /		/ 15% /			
*United Kingdom	/ 12% /					
Sweden	$ .58/2.2 lbs. gross					
*Benelux	/25%/		/15%/			
Latin American Republics						
Cuba	$ .03/2.2 lbs. gross					
Venezuela	$ .36/2.2 lbs. gross					
Other						
Canada	$ .0225/2.2 lbs. gross					

* Percentages on an advalorem basis.

Source: Brussels Translations - Care must be given to the fact that some of these countries require compliance to other regulations which in some cases envolve additional costs. ie. Sugar tariff on syrup.

Chart 5a.

	Apples - Commercial Crop :				Canned apples - short tons - based on 48 lb. bushel				
	1950	1951	1952	1953	1954	1955	1956	1957	1958
California									
Total Prod.	161,952	187,968	220,800	172,800	229,008	226,560	222,240	214,800	231,600
Canned	24,864	26,016	33,792	40,848	54,792	51,600	44,496	48,912	48,600
Total Prod. (3 yr. Ave.)		-- 190,240 --					-- 222,880 --		
Canned (3yr. Ave.)		-- 28,224 --					-- 47,336 --		
Per cent of total canned (3 yr. Ave.)		- 15% -					- 21% -		
New York									
Total Prod.	448,800	432,000	306,000	360,000	456,000	472,800	336,000	374,400	528,000
Canned	131,400	103,776	82,224	104,616	150,072	119,280	132,960	113,280	160,200
Total Prod. (3 yr. Ave.)		-- 395,600 --					-- 412,800 --		
Canned (3 yr. Ave.)		-- 105,800 --					-- 135,480 --		
Per cent of total canned (3 yr. Ave.)		- 27% -					- 33% -		

Continued Next page.

Chart 5a (continued)

	1950	1951	1952	1953	1954	1955	1956	1957	1958
Pennsylvania									
Total Prod.	150,480	183,C24	117,600	108,000	165,600	156,000	129,600	159120	153,600
Canned	38,400	36,C00	28,800	31,200	56,640	66,792	58,460	75,960	63,072
Total Prod. (3yr. Av.)		-- 150,368 --					-- 147,440 --		
Canned (3 yr. Ave.)		-- 34,400 --					-- 65,830 --		
Per cent of total canned (3 yr. Ave.)		- 22.8% -					- 45% -		
Virginia									
Total Prod.	301,920	229,440	229,848	154,008	309,600	132,000	259,200	194,400	266,400
Canned	103,896	58,248	63,120	58,848	96,000	60,480	93,744	67,968	80,184
Total Prod. (3 yr. Ave.)		-- 253,736					-- 240,000 --		
Canned (3yr. Ave.)		-- 75,088					-- 80,632 --		
Per cent of total Canned (3 yr. Ave.)		- 30%						34% -	

Chart 5a (continued)

	1950	1951	1952	1953	1954	1955	1956	1957	1958
West Virginia									
Total Prod.	105,648	97,944	100,800	79,296	143,520	104,304	102,144	120,000	124,800
Canned	41,280	25,008	31,104	30,312	47,328	34,800	49,032	45,864	42,432
Total Prod. (3 yr. Av.)		-- 101,464					-- 115,648		
Canned (3 yr. Ave.)		-- 32,464 --					-- 45,776 --		
Per cent of total canned (3yr. Ave.)		- 32% -					- 40% -		

- Total Averages of the Major Apple Producing States -

	Production	Canned	Per cent Canned	Per cent Increase for Canned Apples 1956 - 58 vs 1950 - 52
1950-1952	1,091,408	275,976	25%	
				- 36.9% -
1956-1958	1,138,768	375,054	33%	

Source: Fruits - Noncitrus by States 50-58 USDA.

CHART BB

Division of CANNED FRUIT SALES

#2½ Case Equiv. · 5 Major Fruits (Nielsen)

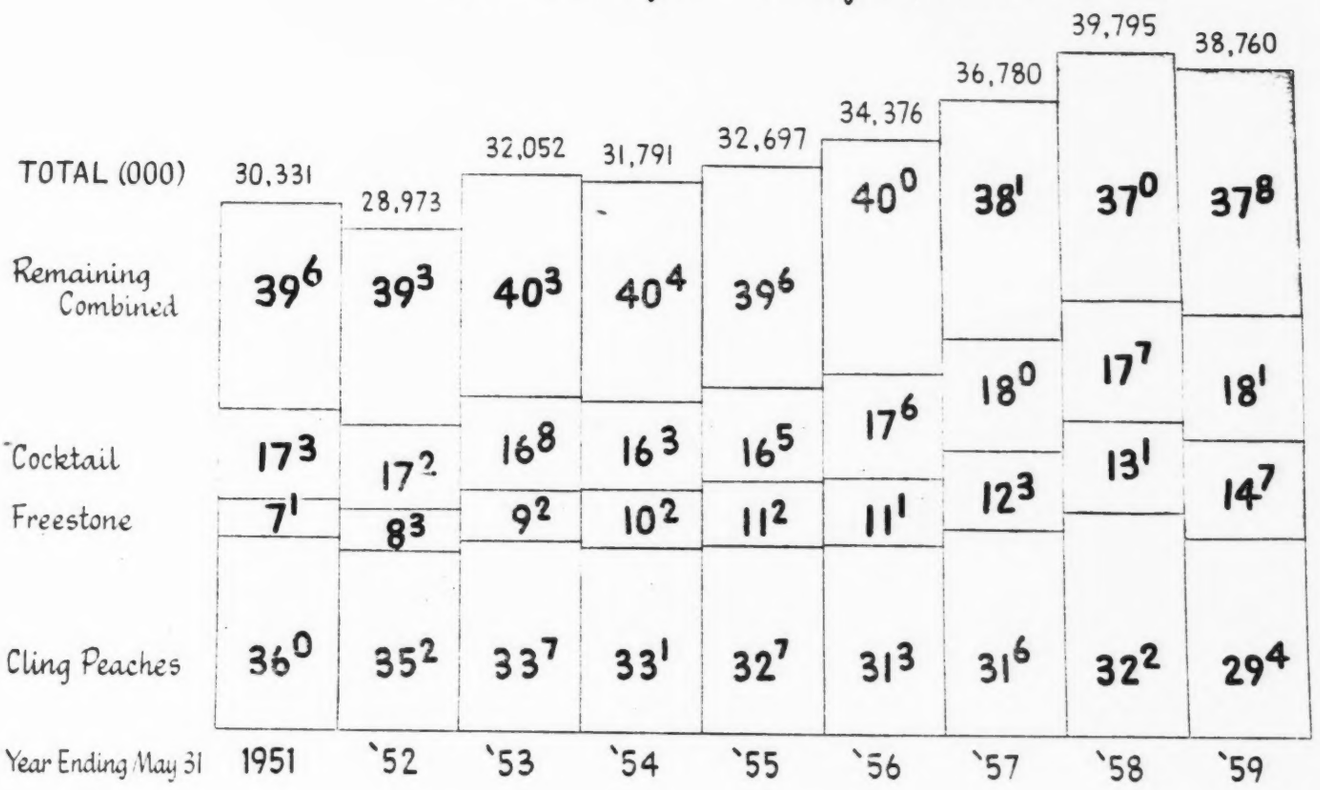


CHART 5C

SALES via GROCERY STORES

(Nielsen) # 2½ Equiv. Cases (000)

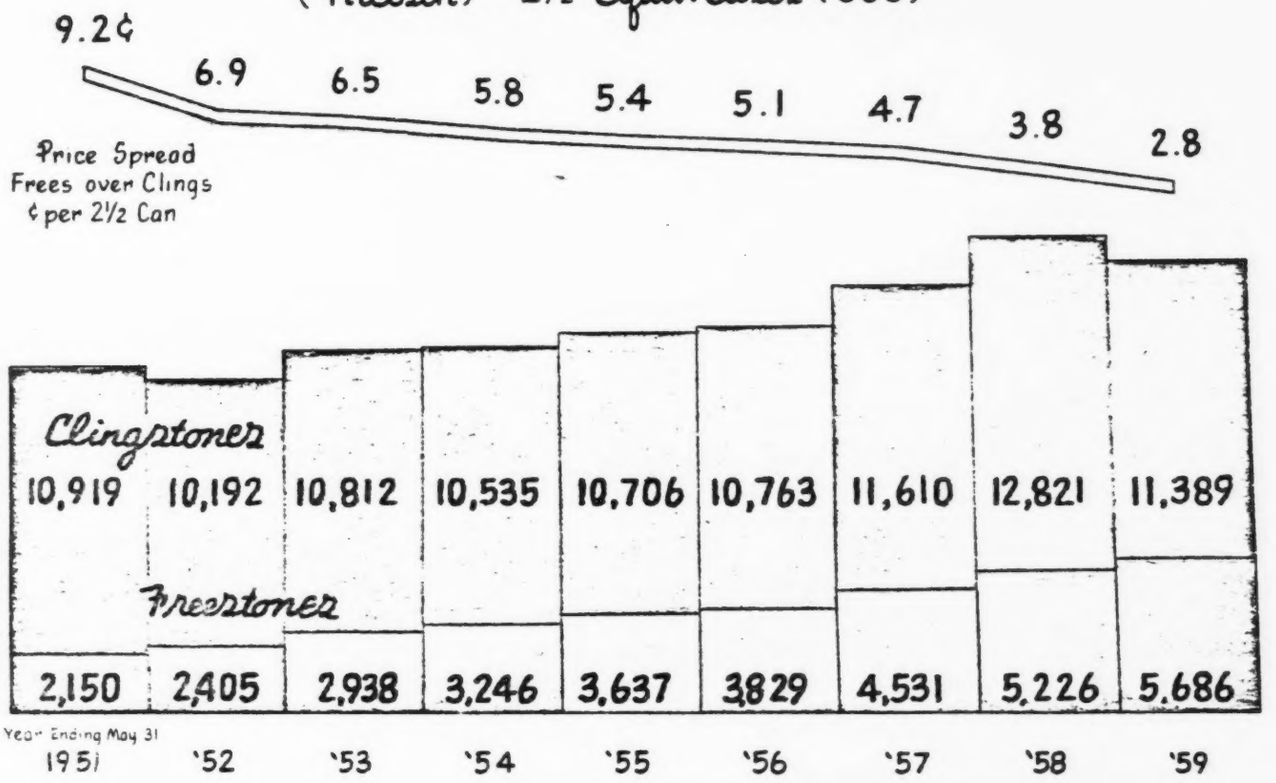


Chart 5d

Packaged Desserts - Shows how one manufacturer has expanded his line of package dessert products.

1947 - 6 Items

Gelatin

Strawberry	Orange
Raspberry	Lemon
Cherry	Lime

1957 - 24 Items

Gelatin

Strawberry	Orange
Raspberry	Lemon
Cherry	Lime
Apple	Black Cherry
Grape	Blackberry

Pudding

Vanilla	Lemon
Chocolate	Coconut
Butterscotch	

Instant Pudding

Vanilla	Lemon
Chocolate	Coconut
Butterscotch	Strawberry
Banana	

Chiffon Pie

Strawberry	Lemon

Percent increase - 300%

Source: BBD &O (1957) - "A study of Coets and Competitive Factors for Cling Peaches"

Chart 6a.

Estimated Peak Employment In The California Peach Harvest

1950 - 1959

Note: The following table shows the highest estimated employment reached in each major growing county during the years 1950 - 1959. The counties are listed in their approximated order of importance. All figures are rounded. Figures marked with an asterick were taken from inseason reports. All other figures were taken from post-season reports.

County	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Stanislaus	7,500	7,000	7,500	9,000	10,000	10,000	10,500	10,000	9,000	11,000*
Sutter	5,000	5,000	4,500	4,500	4,500	3,500	4,500	4,500	4,500	5,500*
Fresno	4,000	4,000	4,000	5,500	4,000	4,500	5,000	5,500	5,000	5,200*
Tulare	2,600	2,300	2,500	2,500	2,700	2,800	3,100	3,200	3,300	4,000*
San Joaquin	2,300	2,730	2,750	2,500	2,750	2,800	3,000	3,250	2,800	3,400*
Merced	1,900	2,500	2,700	2,000	2,000	2,400	2,300	2,700	2,600*	2,800*
Solano	1,500	1,350	1,250	1,300	1,500	1,350	1,450	1,400	1,150	1,350*
Butte	900	800	900	800	600	800	1,200	1,250	1,200*	1,200*
Yuba	850	700	650	650	700	800	1,000	1,000	1,200	1,300*
Tehama	650	700	200	250	250	200	350	350	200	250*
Riverside (West)	650	650	650	450	600	350	400	400	400	400*
San Bernardino	650	750	700	500	300	400	350	350	350	400*
Kings	550	700	890	800	900	700	700	700	700	650*
Madera	450	400	700	700	550	550	450	500	500	450*
Contra Costa	300	250	200	300	300	300	300	400	350	250*
Los Angeles	200	250	150	-	300	200	300	300	350	300*
Yolo	300	150	150	300	300	450	300	300	200	350*
Placer	100	150	100	150	100	-	-	-	-	-
TOTAL	30,400	30,380	30,490	32,200	32,350	32,100	35,200	36,100	34,000	38,800

Source: Reports DE 881

Chart 6B

REPORTED EMPLOYMENT IN THE CALIFORNIA PEACH HARVEST: 1950-1959

	Estimated total man-weeks of labor required to harvest and dry all varieties of peaches	Estimated proportion of work performed by contract foreign workers
1959	273,000	12%
1958	222,500	7%
1957	246,000	10%
1956	236,000	12%
1955	217,500	8%

Source: Reports 881 and 882.

Chart 7a

WAGES FOR PEACH HARVEST

A. Wage Ranges Reported On California Weekly Farm Labor Report

Year	Hourly Wage Rates	Piece Rates
1950	.65 - 1.00	.10 - .12 box
1951	.70 - 1.00	.12 - .16 box
1952	.70 - 1.00	.10 - .25 box
1953	.75 - 1.00	.12 - .16 box
1954	.75 - 1.00	.12 - .17 box
1955	.75 - 1.25	.10 - .25 box
1956	.85 - 1.25	.10 - .20 box
1957	.85 - 1.25	.10 - .40 box
1958	.85 - 1.25	.10 - .18 box
1959	.90 - 1.50	.12 - .25 box

Source: Reports DE 881.
Note: Rates shown are the highest and the lowest rates reported paid in any county for field labor in the harvest.

Chart 7b.

Prevailing Wage Finding Reports for Areas In Which
Foreign Contract Workers Were Used
1954-1959

Area	1954	1955	1956	1957	1958	1959
Antelope Valley			1.00/hr	1.00/hr	1.00/hr	1.00/hr
Butte		5.50/day ½ bd & rm .90-1.00/hr;.12-.16/ 50 pound box	5.50/day ½ bd & rm .90-1.00/hr;.14-.15/ 50 pound box	.90-1.00/hr; Freestone strip-pik, .10/40# box Cling pik-sort, .12/40 pd. box		1.00/hr;.14-.25/40# box. 3.80-4.50 bin; 7.00/ton;.06/20 qt bucket
Fresno			1.00/hr	1.00/hr		
Kern				1.00/hr;.20/20# box	1.00/hr;.25-30/28# box	1.00/hr
Kings			.14-.15/40# box; .90/hr.			1.00/hr;.16/40# box
Merced	.90-1.00/hr .13-.15/45# bx	.90-1.00/hr .12-.15/40# box	.90-1.00/hr .12-.15/40# box	1.00/hr .12-.15/40# box	1.00-1.05/hr .12-.15/40# box	1.00/hr .15/40# box
Riverside (west)				1.00/hr	1.00/hr	1.00/hr
San Bernardino			1.00/hr	1.00-1.25/hr		

Continued on Next Page

Chart 7b. Continued

Area	1954	1955	1956	1957	1958	1959
San Joaquin			.07-.09/18qt bucket .14-.15/50# box	.06-.08/18qt bucket .13-.15/40# bx; .20 .21/ 40# box, scrapping	.07/18qt bucket .14-.15/40# box	.07-.09/18 qt bkt. .15/40# box
Solano (south west)	.85/hr	.90-1.00/hr	.90-1.00/hr	.90-1.00/hr	.90-1.00/hr	.90/hr
Stanislaus			.15/50# box	.14-.20/40# box	Orchard run-no grade .08-.10/16qt bucket; First pik-graded .15-.16/40# box; Second pik-graded .17-18/40 pound box	Orchard run-no grade .15/40# box; grade pik .16-.19/ 40# box, Average orchards; .20/40# box, poor orchard
Tulare			.90-1.00/hr	.95-1.00/hr		1.00/hr
Yolo-Solano (N.E.)			.90/hr		.90/hr; .12/50# bx	1.00/hr; .15/50# box
Yuba - Sutter			.13-.15/40# box 6.00/day + bd & rm	Young trees .11/40# box. Mature trees .12-.14/40# box	.13-.15/40# box First pik; .25-.30/ 40# box; Second pik	1.00/hr; .14-.25/ 40# box 3.80-4.50/bin; 7.00/ton; .06/ 20qt bucket

Chart 8a

Hourly Composite Farm Rates by
Major Peach Producing States
1957 - 1959

Agricultural Marketing Service - Crop Reporting Service
USDA LA 1 (57,58,59)

	1957				1958				1959			
State	Jan 1	Apr 1	Jul 1	Oct 1	Jan 1	Apr 1	Jul 1	Oct 1	Jan 1	Apr 1	Jul 1	Oct 1
New Jersey	.89	.79	.96	.90	.92	.82	.99	.93	.93	.81	.99	.91
Pennsylvania	.76	.68	.86	.79	.78	.69	.86	.80	.80	.72	.88	.81
Michigan	.85	.71	.84	.88	.83	.67	.83	.87	.85	.70	.86	.88
South Carolina	.45	.40	.42	.44	.46	.38	.41	.43	.47	.41	.43	.44
Georgia	.53	.46	.49	.52	.54	.46	.49	.51	.55	.47	.50	.54
California (all work)	1.15	1.10	1.09	1.12	1.17	1.11	1.11	1.14	1.19	1.13	1.14	1.18
California (Peach Harvest July Qtr.)			1.05				1.05				1.20	
% Difference Calif. Level Average Major States			+ 35%				+ 34%				+ 36%	

Farm Labor - Foreign

South Africa possesses an abundance of farm and orchard labor which is available at low cost. Wages for farmhands in South Africa are very much lower than those in the United States and Australia. They averaged from $9 to $13 per month in 1957 with an allowance of about $11 for food and shelter. Australian farm labor wages were more comparable to those received in the United States, and ranged between $160 and $170 per month.

		Per Hour	Per Month	
South Africa	*	$ .04	$ 9.00 - 13.00	$11.00/ Mo. Allow. for food
Australia	*	$ .62	$160. - 170.	and shelter

* Based on 10 hours per day, 26 day a month.

Source: FAS - M 61 Foreign Agricultural Service USDA.

L. GIOBETTI

T E S T I M O N Y

O F

LEO J. GIOBETTI

BOARD MEMBER

OF

MERCED EAST SIDE GROWERS ASSOCIATION

MERCED, CALIFORNIA

JANUARY 1960

My name is LEO J. GIOBETTI, my residence is in Merced, California. I am a member of the Board of Directors of the Merced East Side Growers Association. My occupation is farmer, principally a Tomato Grower. I am here to represent today the members of the Merced East Side Growers Association, principally the tomato grower members.

The Merced East Side Growers Association is a non-profit Association comprising of some 120 active members, and its object is the recruitment and housing of farm labor. Approximately 68 of these members are engaged in growing tomatoes.

1. We have participated in the Bracero Program since its inception. The first two years (1942 and 1943) the recruitment was handled by the California Farm Production Council of the State of California to meet an emergency need for farm labor as a result of war conditions. With the exception of the year 1950, when there was no need for supplemental labor, we have continuously participated in the Bracero Program.

2. In the last nine-year period terminating in 1959, normal growth has increased Tomato Acreage from approximately 3500 acres to approximately 5500 acres in Eastern Merced County. This rate of growth has also held true for the user-members of the Merced East Side Growers Association whose acreage has grown from approximately 2400 acres to 3500 acres. This increase in acreage has necessitated a larger farm work force. In the same period, our domestic work force has decreased, requiring a greater use of imported supplemental labor. This decrease resulted from:

(a) The movement of local farm labor into industrial and other non-farm occupations.

(b) A diminishing supply of migratory domestic farm workers.

(c) Greater employment of Domestic help in local processing plants. (We estimate approximately 1000 such workers are employed in the local tomato processing plants alone during the harvest season.)

(d) Almost total employment of all available College and High School Students by the local Tomato processing plants.

3. The Growers have endeavored to meet this shortage of domestic help by maintaining requests for domestic farm help on file at the local labor office at all times for each member of the Association, and by paid advertisements for help.

4. All of the general farm work is done by the domestic help which is available in the area. However, with the limited amount of domestic farm help available, the farmers have had to rely on importation of a great number of Braceros each year to help harvest the crops. These Braceros have been employed during the last several years IN THE FIELD HARVESTING OF CROPS ONLY. No Braceros are recruited by this Association until the beginning of the Harvest. All of these men are returned to the recruiting center at El Centro immediately upon completion of local harvest.

5. During the latter part of our Tomato Harvest, a large portion of the domestic help has moved on to other preferred types of farm work. At this particular time the growers must rely quite heavily upon the Braceros. This period is extremely critical for us due to the fact that our crop is, at this time, extremely perishable--due to the intense summer heat and the fact that the tomatoes must be harvested at complete maturity.

6. It can be stated here that our grower-members are unanimous in the opinion that the employment of imported supplemental labor is

absolutely essential. Consequences of the abolishment of the importation of the Braceros would bring ruin to many farmers. This would indirectly decrease employment of domestic workers, both on the farms and in the food processing plants in our locality.

H. HERBERT

Statement for
Senate Fact Finding Committee on Labor and Welfare
Fresno, California
January 26, 27, and 28, 1960

My name is Dr. Hyland J. Hebert and I am the Imperial County Health Officer.

On January 21, 1960, the first meeting of the Local Action Committee on Food Crop Harvesting Sanitation was held in the office of the Imperial County Health Department. Members of this Committee were asked to participate at the invitation of the Health Officer in accordance with the suggestions contained in the letter dated December 24, 1959, received from Frank M. Stead, Chairman of the Task Force on Food Crop Harvesting Sanitation, State of California Department of Public Health.

The following members of the Committee were in attendance:

Hyland J. Hebert, M.D., Chairman
James Breece, Farm Advisor's Office (State Agricultural Extension Service)
Lee Carson, Director of Sanitation, Imperial County Health Department
Arthur Dahlke, Representing the Desert Growers Association
Danny Danenberg, Grower and Packer
Claude Finnell, Agricultural Commissioner
Paul Gillett, Imperial County Supervisor
John D. Jackson, Grower and Feed Lot Operator
Ray Langley, Imperial County Supervisor
James Logan, Farm Bureau
Roger Minetti, Grower and Packer
George D. Peterson, Farm Advisor's Office (State Agricultural Extension Service)
Mike Schultz, California Winter Head Lettuce Advisory Board
Robert Sessions, Trustee, Carpenter's Union, Local No. 1070, representing labor
W. J. Thornburg, Jr., Grower and Packer

Members absent were:

B. A. Harrigan, Imperial Valley Farmers Association
Hugh Osborne, retired County Supervisor and Farmer

I am appearing before the Senate Fact Finding Committee on Labor and Welfare today in the capacity of Chairman and representative of this local Committee at the request by unanimous vote that the procedings of the Committee be made a matter of record and submitted to the Senate Committee here today.

I am happy to report that all members of the Committee were unanimous in their opinions that a study of food crop harvesting sanitation practices and facilities is urgently needed in the Imperial Valley, and that the enactment of a statute regarding food crop harvesting sanitation which is feasible, practicable, economical, and which will take cognizance of local factors such as terrain, size of harvests, number of field crop workers, harvesting seasons, and types of crops, is most desirable. The purpose of this Committee is to demonstrate the feasibility of providing toilets and hand washing facilities in all types of food crop harvesting operations, and to provide educational information on this subject to farmers and to field crop workers. In addition, the Committee endorsed a resolution directing the Health Officer to make any surveys or studies deemed necessary to demonstrate possible contamination of food products by human excreta from field crop workers, both in the field and at point of distribution.

The Committee agreed that the solution of this problem of field crop sanitation involves two major points of attack, as follows:

1. Enlistment of support of farmers to provide satisfactory sanitary facilities in the fields.

2. A program of education of the field crop workers to teach them how to use the facilities provided.

In order to provide a basis upon which farmers may predict their individual requirements for food crop sanitary facilities, the Health Department is undertaking a field study of types of equipment, number of units of equipment per capita, and problems involving the servicing of sanitation units. In a discussion of the use of educational materials, it was suggested that movie films could be made both in English and Spanish dialogue, to be shown to Mexican National agricultural workers at the Reception Center, which would demonstrate to the workers how to use field crop sanitation facilities, and that these films also could be made available to individual employers for showing to field crop workers. In addition, Mr. Peterson of the Farm Advisor's Office indicated that his office is prepared to mail or distribute educational information on field crop sanitation submitted by the State Department of Public Health, the local Health Department or other agencies. It was suggested that the educational material should be written specifically and designed to meet the needs of the Imperial Valley area, in consideration of the types of field crop harvesting operations and the characteristics of field workers in this area. I want to emphasize that the tone of this first meeting indicated a collective desire on the part of the Committee to solve this problem immediately on a local level, with the cooperation and efforts of individuals directly involved, rather than to wait for State help or the passage of a State law.

A specific example of local effort to shed light on this problem is that the Imperial County Health Department Laboratory will undertake a bacteriological and parasitological study of food crop contamination in the Imperial Valley which will be coordinated with a similar study to be conducted by the State Department of Public Health Laboratories. No study of this type has been done previously, and it is felt that such a study is urgently needed to determine the magnitude of the problem particularly as it may pertain to protection of the general public from human diseases.

Another example is that of the conduction of a survey by the California Winter Head Lettuce Advisory Board to determine the numbers, types, and locations of portable sanitary units presently in use in the Imperial Valley.

A point of discussion was that of establishment of legal and moral responsibility for the improvement of field crop sanitation practices in this area. It was concluded and generally agreed that joint responsibility must be placed upon both the farmer, (the employer) and the field worker (the employee), since field crop sanitation cannot be accomplished by the sole efforts of either one or the other.

Many specific questions were raised, mostly of a technical nature, and most of which could not be answered directly. It appears that few bacteriological or parasitological studies bearing directly on food crop harvesting sanitation have been carried out in the State of California. As previously mentioned, the Imperial County Health Department will undertake such a study jointly with the State Department of Public Health in the near future. I anticipate that the study will be carried out specifically on lettuce, for two principal reasons: (1) the number of acres planted to lettuce in the Imperial Valley in recent years has been approximately 55% of the total acreage planted to vegetable crops, and (2) the natural characteristics of lettuce, and the necessary marketing procedures enhance the possibility of field crop contamination to a greater degree than other vegetable crops. > Calif. LETTUCE

The following statement is made in my capacity as a physician and a Public Health Officer. It is not to be interpreted in any manner as a statement of the views of the Imperial County Action Committee on Food Crop Harvesting Sanitation. The purpose of the statement is twofold; (1) to aid this Senate Committee in clarifying its understanding of the public health problem as it pertains to food crop harvesting sanitation, and (2) to define the potential hazard and the relative risk involved in the contamination of food crops by human excreta in the Imperial Valley. Qualification and validity of this statement is supported by the listed medical references and other publications:

Modern Concepts of Communicable Disease, by Morris Greenberg, M.D., Director, Bureau of Preventable Diseases, New York City Department of Health;
Rosenau's Preventive Medicine and Hygiene, by Kenneth F. Maxcy, M.D., Professor of Epidemiology, The Johns Hopkins University School of Hygiene and Public Health;
The Prevention of Disease in Everyday Practice, by Isadore Givner, M.D., and Maurice Bruger, M.D., New York University Post Graduate Medical School;
Textbook of Bacteriology, by Edwin O. Gordon, Ph.D., and William Burrows, Ph.D., Bacteriologists, University of Chicago;
The California Public Health Statistical Report of 1958; and publications of the Imperial County Agricultural Commissioner's Office.

Further support may be presumed from my clinical, epidemiologic, and laboratory experience for a period of eight years in a southeast Asian country in which human fecal contamination of food products carried a high incidence of human intestinal and other diseases. In addition, I believe I have a practical knowledge of the local conditions prevailing in the Imperial Valley with respect to food crop contamination and sanitation.

In the interest of time, I shall not quote directly from the publications listed, but these will be made available to the Committee if desired for verification of my statement. The publication titled "Sanitation In The Harvesting of Field Crops," by Frank M. Stead lists three public health problems possibly created by the lack of food crop harvesting sanitary facilities in certain geographic areas of California. The first is the risk of disease to the workers themselves; the second is the risk to the population of the local community; and the third is the threat of contamination of food with human excreta which is consumed by the public at large. I quote directly from Mr. Stead's article: "The degree of risk of transmission of disease to a consumer of food by this means is difficult to establish by scientific means, although it is certain that some risk exists. But the overwhelming consideration is the repugnance of the idea of filth on food and the insistence of the American public on clean food whenever the issue is raised." I agree with this statement of the problem, and I wish to emphasize that there is no question that food crop harvesting sanitation facilities must be made available to field crop workers in California at the earliest possible date in order to eliminate not only the public health risks involved, but most important to solve a pressing sociological problem. However, in order to avoid a possible erroneous impression of this Senate Committee and of the general public, I wish to present evidence substantiated by research and study of the diseases implicated, that little if any risk to the general consuming public is created by the lack of sanitary facilities in field crop harvesting operations in the Imperial Valley. I believe it is important, under the present circumstances prevailing in California agriculture, to allay the fears of a potentially outraged public by presenting a clear, concise picture of the actual risk of human disease.

raw sewage

To understand the problem as it exists in the Imperial Valley and other similar agricultural areas in California, one must have a simple basic knowledge of infections and how they are transmitted from person to person. In a broad sense, an infectious

disease is regarded as a form of parasite or parasitism, the germ being the parasite and the human body the host. Related to this parasite, or parasitism, is the factor of environment. Certain conditions are essential for bringing about successful parasitism. There have to be sources of infectious agents. Man himself is the source for many agents of infectious diseases. The germs are harbored by ill persons or by healthy carriers. Animals, directly or through their food products, are frequently sources of human infections. The potency or strength of a germ, and the number of germs introduced into the human body, are important factors in the development of an infectious disease. The success of the offending germ in causing disease depends largely on the resistance of the human body. For a specific infection to take place, the causative germs must enter the human body in a particular manner, such as through the mouth, or by breathing. To bring the germ to the human body, appropriate means of transportation or transmission are required. This includes physical contact, entrance through the nose or throat, contact with carriers or with infected food, water or objects.

In this discussion, it has been stated that we are concerned with the following diseases: cholera, typhoid fever, amebic dysentery, bacillary dysentery, salmonellosis or food poisoning, and certain viruses, including the virus which causes yellow jaundice or infectious hepatitis. In addition, because of the specific geography, human and animal population of the Imperial Valley area, I believe it is necessary to mention several other diseases potentially hazardous to humans, including leptospirosis, beef tapeworm disease, hookworm, roundworm and whipworm infestation, and certain viruses which cause diarrhea in humans, but which are poorly understood at the present time. All of these diseases and perhaps others may possibly be involved in this problem of field crop sanitation.

The big question is not, however, that they may be involved, but rather "What is the risk?" A glance at the record indicates that of the total number of deaths from all causes in California numbering 125,594 in the year 1958, only 11 persons died of bacillary and unspecified dysentery, and only 32 persons died of all other intestinal infections combined. Thus, a total of 43 persons died of infectious diseases commonly arising in the intestinal tract. At the same time, over 4,000 persons died of influenza and pneumonia, over 20,000 died of cancer, 66,000 died of heart and blood vessel or kidney disease, over 5,000 died of diseases in early infancy, and over 7,000 persons died as a result of accidents, of which motor vehicle accidents comprised 3,500.

The question, then, is "How big is this problem of field crop sanitation as a factor in the production of human disease in California?" In order to understand why it does not appear to be a significant public health problem, let us examine all of the factors involved. Certain conditions, mentioned previously, must prevail in order for specific human disease to occur as a result of food crop contamination with human excreta. As a matter of fact, all of these diseases must be transmitted to the general public by means of contaminated food crops. The food crops must be contaminated by sick individuals or healthy carriers working in the fields, and the organisms must remain alive and capable of causing disease during the time interval from harvesting to retail marketing.

Let us consider the diseases involved:

Cholera - Since 1900, cholera has been unknown as a public health menace in North and South America. It has been limited almost entirely to Southeast Asia. The germ causing cholera dies in a few hours in fecal specimens at room temperature. The threat, then, of cholera as a cause of disease in field crop contamination is nil.

Typhoid - The typhoid germ is comparatively easy to destroy. If it is subjected to drying, it will die in a few hours. Typhoid germs may survive in a cold moist atmosphere or in water. As a rule, the typhoid germ does not survive long in the

soil under the usual conditions and sunlight quickly kills. It is, then, possible to transmit typhoid by contamination of food crops, however, the record of deaths and illness due to typhoid in California would indicate that this risk is negligible.

Salmonellosis (food poisoning) - Salmonellosis or food poisoning may occasionally result from eating food containing salmonella germs, but this is only one of numerous ways of spread. The salmonella organisms are much more commonly found in the raw meat of infected animals or in the eggs of fowl. Food may be infected either by a food handler who is ill with the disease or is a carrier of germs, or by contamination from infected rodents or dogs. In a study done in 1945-1947, in 56 food poisoning outbreaks in which the cause of the outbreak was determined, only 7 of the outbreaks were traced to vegetables. Salmonella germs may survive for several days outside the human body. Salmonellosis then must be considered as a possible source of disease as a result of field crop contamination.

Bacillary Dysentery - Germs causing bacillary dysentery are extremely sensitive to environmental conditions and tend to die off rapidly. Even in feces, they survive only for a short time. Exposed to sunlight and drying, the organisms die in a few minutes. Bacillary dysentery, then, is not a public health problem as it affects the consumption of food crops grown in the Imperial Valley.

Amebic Dysentery - The organisms causing amebic dysentery are quickly killed by drying or by the ultraviolet rays of the sun. Moisture is required for their survival. Raw vegetables, if contaminated by human feces, may transmit amebic dysentery to the general public, but the risk is very low under the circumstances prevailing in Imperial Valley.

Jaundice, Poliomyelitis - The methods of spread of the viruses of infectious hepatitis or yellow jaundice, and of poliomyelitis have not as yet been determined. They are thought to be spread by direct contact or by water pollution. Prevailing medical opinion is that the contamination of food products does not appear to be a significant source of spread of infectious hepatitis or poliomyelitis.

Leptospirosis - One person in California died of leptospirosis in 1958. I mention this disease only for the two reasons that, it is the only disease to my knowledge found in California which may be transmitted through infected human urine, and that this disease is more commonly found in cattle, dogs and rats, all of which animals are numerous in the rural areas of the Imperial Valley. The germ dies quickly outside the human or animal body unless it is protected from sunlight and kept moist.

Beef Tapeworms - It is conceivable that cattle allowed to forage in food crop fields may be infected with beef tapeworm as a result of fecal contamination of the soil by infected humans. However, the incidence of infection in cattle in the Imperial Valley is low, according to the statement of the County Livestock Inspector. Contamination of food crops by human excreta containing the eggs of beef tapeworm is impossible because the eggs must hatch into larvae in the soil before they can infect humans.

Hookworm, Roundworm, Whipworm - Hookworm and roundworm, two important intestinal worms affecting humans, both require specific soil temperature and moisture conditions for their development into larvae which may infect human beings, which conditions are not found in the food crop fields in Imperial County. Ingested eggs are not capable of producing disease in human beings, and the larval stage of these worms must be swallowed before disease is produced. Thus, even though field crop workers may be infected with these worms, they do not constitute a threat to the health of the general public. Whipworm survives only where high ground water, heavy rains or some other source of water maintains a very moist soil. There is little likelihood that whipworm constitutes a source of infection due to contamination of food crops.

SUMMARY

Speaking as the Chairman of the Imperial Valley Local Action Committee on Food Crop Sanitation, I am pleased to report to this Senate Committee that (1) a study of food crop sanitation facilities and practices in the Imperial Valley has been undertaken by this Committee; (2) a study of bacterial and parasitic contamination of food crops in the Imperial Valley, both at harvest and marketing points, is anticipated, jointly by the Imperial County Health Department and the State Department of Public Health Laboratories; and (3) formulation of a County ordinance applicable to food crop sanitation in Imperial County is in progress, and will be presented to the County Board of Supervisors for approval at the earliest date possible. It is my earnest hope, as well as that of the Committee I represent, that this ordinance will be the first of its kind in the State of California, and that it may serve as a practical guide to the development and passage of future County and/or State statutes.

Speaking as a doctor, as a sworn protector of the public health, and supported by what is considered to be substantiated medical evidence as a basis for the statement, I believe that the current lack of food crop sanitation facilities in some areas of Imperial County is posing a negligible risk to the consuming public, and has not materially affected the general health of the local community or of the field workers. The sociological benefits to be reaped by the field workers, and the psychological benefits to the consuming public resulting from a sound field crop sanitation program in the Imperial Valley far outweigh the medical benefits which might be expected from such a program.

Respectfully submitted,

Hyland J. Hebert M.D.

HYLAND J. HEBERT, M.D.,
Imperial County Health Officer

Senate Fact Finding Committee on Labor and Social Welfare
Fresno, California hearing — January 26, 27 and 28, 1960.

Statement in behalf of Francisco,Olivares
Resident of Imperial Valley, California

My name is Francisco Olivares. I have been an agriculture worker since May 13, 1944. I have worked in California, Arizona and Idaho. Since 1946 I have been packing lettuce in the fields in wooden crates and cardboard boxes.

Question: How many years have you worked for the Salinas Valley Vegetable Exchange?

Answer: Approximately five years in Imperial Valley, Watsonville and Arizona.

Question: When did you stop working for the Salinas Valley Vegetable Exchange?

Answer: In the Spring of 1958.

Question: Why did you stop working?

Answer: Because they laid us off.

Question: Why did they lay you off.

Answer: Because they had too many braceros and they told us that we were not good packers any more.

Question: Who told you that?

Answer: They told Juan Muniz, who was the crew leader, that as soon as they started work in Watsonville, they would call us but they never called us.

Question: Where did they tell you this?

Answer: In Aguila, Arizona.

Question: How many more did they lay off when they laid you off?

Answer: Approximately 50 men.

Question: At that time, how many braceros were working on lettuce for the Salinas Valley Vegetable Exchange in Arizona, where you were working?

Answer: They had over 100 braceros working.

Question: When you first went to work for Salinas Valley Vegetable Exchange, how many braceros did they have working in lettuce for the Salinas Valley Vegetable Exchange?

Answer: There were no braceros packing lettuce.

Question: Did approximately 50 men that were laid off at the same time as you were laid off, work as a crew?

Answer: They all worked together as a crew.

Question: Did Juan Muniz work in the field with the crew?

Answer: No, he worked as a foreman.

Question: Who paid him.

Answer: He was paid by the Salinas Valley Vegetable Exchange.

Question: Did the crew contribute anything to him, or did he deduct anything from the crew's wages?

Answer: No, we did not.

Question: Did you receive a Withholding Tax statement from the Company at the end of e very year?

Answer: Yes.

Question: In other words, Juan Muniz was the man who got the job with the Company every year and he was the man who got the crew the job?

Answer: Yes.

Question: Would this crew still want to go back to work with the Salinas Valley Vegetable Exchange as a crew?

Answer: Yes, under the same conditions as we worked before.

Question: Have you been working this season in Imperial Valley in lettuce?

Answer: Yes, we are working in the lettuce now.

Question: Are you working as a crew?

Answer: We are working as a crew of about 40 men.

QUESTION: Is Juan Muniz the crew leader?

Answer: Yes, he is the crew leader and works as a foreman.

Question: He is paid by the Company?

Answer: He is paid by the employer.

Question: Do you work by the hour or do you work by piece rate?

Answer: We are paid by piece rate.

Question: What do they pay you per box?

Answer: The first cutting the trimming and packing is 19¢ per box. The second cutting or last cuttings, we are paid 21¢ a box.

Question: Do you work as a crew of 4 men?

Answer: No, three men.

Question: How many boxes does a crew of three men average per hour.

Answer: If the lettuce is good, we can make from 20 to 30 boxesan hour. If the lettuce is not good, sometimes we only make 5 boxes an hour.

Question: With good lettuce how much do you average per hour for pay?

Answer: With good lettuce, we average about $2.00 an hour.

Question: Are the braceros paid piece rate for packing lettuce in Imperial Valley?

Answer: As far as I know, they are not paid piece rate.

Question: As far as you know they are paid 75¢ an hour for the same work, is that correct?

Answer: I think so.

Question: How many days a week do you average?

Answer: If there are a lot of orders, at times we work six and even the full seven days a week.

Question: How many days did you work last week?

Answer: I worked two days.

Question: How many days did you work the week before?

Answer: I worked three days.

Question: Since the braceros were brought into the Imperial Valley for lettuce,

Question: are you getting less work than you did before?
Continued
Answer: Yes, hardly any work at all.

Question: Do you know whether the braceros have been working in lettuce while you and your crew have been laid off in the last few weeks?

Answer: They work all week long, we are the only ones that are told there is no lettuce for us.

Question: Who tells you that?

Answer: Bill Desmond is the contractor and he tells Juan Muniz that there is no work and Juan Muniz tells us.

Question: Why don't you go to the Farm Placement Office to get work?

Answer: We don't go to the Farm Placement office because they immediately want to send us to work with the braceros at the hourly rate of 75¢.

Question: Have you gone to the Farm Placement office looking for work?

Answer: No.

Question: Did you work in Aguila, Arizona last Spring?

Answer: No.

Question: Did you work in Aguila, Arizona in 1959?

Answer: We went to look for work and we worked for the Garin Company in September for about four weeks.

Question: Did they pay you the same wages as they did in Imperial Valley?

Answer: Same wages.

Question: What do they pay the braceros in Arizona?

Answer: I think they are paid 80¢ an hour, they are not paid piece rate.

Question: Did you go to Salinas, Calif. last year?

Answer: No.

Question: Did you work last summer?

Answer: I worked in the San Juaquin Valley.

Question: Do you know of any other crews of lettuce workers that cannot find work?

Answer: Yes.

Question: Where are these men now?

Answer: Some are in the Imperial Valley and others are in Santa Rosa, Calif. pruning.

Question: You have immigrated to the United States as a permanent resident by the United States Immigration Service, is that correct?

Answer: Yes.

Question: How is work in lettuce this year compared to the same time last year?

Answer: It is just the same.

Question: Do you know whether there are many unemployed farm workers in the Calexico, Mexicali area?

Answer: There are many.

Question: Do you personally know of farm workers in the Calexico-Mexicali area who cannot get any work?

Answer: There are many, some only work a few days.

Question: Why don't they go to the Farm Placement Office?

Answer: They do not want to go there because they get sent over to the Imperial Valley Farmers Association and Delfino, the Office Manager there sends them out to do the heaviest work in the fields, such as loading and they are paid the hourly rate of 75¢.

Question: Last year you came to Los Angeles and you were part of a committee that met with Mr. Newell Brown, Undersecretary of Labor at the Biltmore Hotel, about this same problem, is that correct.

Answer: Yes.

Question: After that, you spoke at a meeting in El Centro where Mr. Huxley of the United States Employment Security and Mr. Geary of the Farm Placement Service was present there too and you told them about this same problem, is that correct?

Ans.: Yes,

Question: That was in the month of March, 1959, wasn't it?

Answer: Yes.

Question: Have you had any trouble getting work since then, because you spoke up on this problem?

Answer: Yes, I was told by a foreman that I was a trouble-maker. One foreman told me that if I continue the same way, the bosses already said in a special meeting that I was the one who was responsible for all the trouble in Imperial Valley and I was also told that my passport might be taken away from me.

Question: Have you been at the border in Calexico around 5:00 or 6:00 A.M.?

Answer: Yes.

Question: Have you seen people waiting for work who did not get hired early in the morning there?

Answer: Yes.

Question: What is the largest number of people you saw who did not get hired?

Answer: We were more than 50 men.

Question: Do you think there are more people who would come looking for work in Calexico if the wages were higher?

Answer: There would be many such people and there are many people who come down from the North who would look for work if the wages were better.

Question: Are these people legal immigrants or citizens?

Answer: Yes they are all legal residents or citizens.

Question: Do you think, if the growers provided good housing for families there, would be a lot of people coming down to work there, if the wages were better?

Answer: I am sure that if the conditions were better than they are now, there would be no need for braceros at all in the Imperial Valley. At least

2000 braceros enter daily by car from Mexicali to Calexico and further and there would be no need for them at all if they improved the conditions and wages.

Question: Do a lot of farm workers who are American citizens live in Mexicali, Baja California, Mexico?

Answer: Yes.

Question: Why do they live there?

Answer: Because it is a lot cheaper, rent and food is a lot cheaper.

SENATE FACT FINDING COMMITTEE ON LABOR AND SOCIAL WELFARE
FRESNO, CALIFORNIA HEARING — JANUARY 26, 27, 28, 1960

Statement in behalf of United Packinghouse Workers of America, AFL-CIO
by Rachel Guajardo, Field Representative

Farm Labor Problems, Ventura County, California

Because of the multitude of farm labor problems in Ventura County and in Oxnard primarily, a meeting was called on January 15, 1959 at the office of the Oxnard Chapter of the Community Service Organization in Oxnard, Calif.; where Mr. Edward Hayes, Chief of the Farm Labor Section of the Dept. of Employment of California, his assistant, Mr. Cunningham, Mr. Bates, Mr. Turner of the Ventura County Farm Placement office; Mr. Cesar Chavez, Dir. of Organization for the Community Service Organization, Mr. John Soria, Organizer of the CSO, the officers of the Oxnard Chapter of the Community Service Organization, many labor leaders from different labor Unions, Mr. Eddie Perez and myself, Rachel Guajardo, Field Representatives for the United Packinghouse Workers of America, ARL-CIO, and about 60 unemployed farm labor workers were present at this meeting.

Mr. Hayes was told by the farm laborers themselves of the very inferior working conditions that they have been subjected to and they stated that they were then unemployed because the Farm Labor Associations, which contract Mexican and Japanese Nationals for their grower-members, were discriminating against the domestic workers and were not given jobs because of the oversupply of Mexican and Japanese Nationals in Ventura County and Oxnard too. The biggest labor camp in the world, Ventura County Farm Labor Association, is right in the town of Oxnard and yet hundreds of domestic workers are unemployed because there are always at least 2500 Mexican Nationals and about 600 Japanese Nationals in Ventura County year-round. A canvass was made by the Community Service Organization and it was found that in the November/1958 to January, 1959, there were approximately 400 unemployed farm laborers in Oxnard alone, who were jobless, penniless and in serious debt for their rent and food.

Mr. Hayes was told that the wages in Ventura County for farm laborers, row crop work was $1.00 an hour years ago and it was now dropped to 85¢ an hour. The reason the wages have dropped is because of the oversupply of Mexican Nationals who have displaced the domestic farm worker. The field workers themselves were pleading their case. They are opposed to being subjected by the Farm Placement office to go to the Ventura County Farm Labor Association Camp to all stand around in the camp and hope that they will be sent to work and not just left standing in the cold.

Many women were intimidated by the dispatchers at the labor camp and scared because of being separated and being placed one in each truck, with a truck load of Mexican Nationals. When they refused to board the trucks without any other female workers, they were told there was no work for them, for the Association offered them a job and they refused it, according to the law, that is all they have to do. We have many sworn statements by female farm workers who were denied employment because they refused to be separated from the female farm workers. At one time, one of the dispatchers from the Ventura County Farm Labor Association Camp told a woman -- (We will send you to work but you go at your own risk for we are not responsible for what the braceros may do--remember, they have been separated from their wives for a long time.) This frightened the women so much, so that they refused to go to the labor camp at all!

Mr. Hayes was told that the Mexican Nationals get the better paying farm work, jobs that pay $1.00 to $1.25 an hour. Namely, irrigating, tractor driving, machine operators, kitchen helpers, dish washers, landscaping, nursery work, etc. The Farm Placement office is always beseiged with requests for these jobs but they always answer the same---that they don't have any calls for such jobs . They call the Ventura County Farm Labor Association by phone and ask if they have any such jobs to be filled and invariably, they are told no--these jobs are not available.

The Farm Placement office relies completely on their word, every now and then they say they need two or three men for a certain grower, but the farm workers do not get a correct answer and certainly the worker cannot prove that the

Association is lying.

Domestic workers have always secured their own jobs, either through a labor contractor or by travelling in groups and bargaining for the highest wages possible, but now if the workers go directly to the farm, the grower refers him or her to the Farm Labor Association. We had teams of workers to to the farms on their own and they always come back reporting that Mexican or Japanese Nationals were driving tractors, spraying crops, irrigating, etc. We would take the worker and immediately report this to the Farm Placement office and we were almost always told by one of the workers there that either they could not leave the office unattended, or that the field man was out investigating a case and as soon as he called in, he would be notified of the problem. We would wait and wait but wouldn't get a call until late afternoon or the following day, after the farm worker who reported the incident, was either out looking for work somewhere else or he found work and was working. Many times the Mexican Nationals were removed from the job they were doing in the morning for they got word someway that we had check that farm. This happened at least 4 or 5 times a week and the worker who reported the incident very seldom was ever put to work on that job.

Mr. Hayes and the other officials from the Farm Placement office assured us that they would do everything they could to correct this kind of problem. One week later, 16 domestic workers were put to work driving tractors and other machinery.

On April 13, 1959, a rancher Robert Jones of Oxnard had a domestic crew of workers tying tomatoe plants. The workers were paid 85¢ an hour. On April 11, 1959 Mr. Jones informed his workers that he was going to change from the 85¢ hourly rate to the piece rate of 60¢ a box of tied tomato plants. All the domestic workers refused to accept the piece rate for they felt sure they could not earn the 85¢ per hour that they had been earning. On April 14th, all the domestic workers refused to work, although they were all in the field ready to work. The Mexican Nationals, about 40, also refused to work for the piece rate of 60¢ per crate of bunched tomato plants. There was no mention by the grower that there would be an incentive rate

offered. Finally the Ventura County Farm Labor Association came to the scene and talked to the Nationals to either go out to the fields and work or go back to the labor camp. One Mexican National was taken back to the labor camp in the car of a grower. The Association Representative Miguel Ramos told the domestic workers: (If you local workers don't want to work we don't need you. We have plenty of braceros who will do the job and as for the braceros, if they too don't want to work, we will return them to the camp and bring in me braceros who will work.) In the afternoon of the same day the Association brought in 25 new braceros and they immediately started working. The domestic workers finally returned to work at the 85¢ hourly rate. As a result of this problem, the hours of the domestics were cut and the average work day was 4-½ hours a day for over a week but every morning there were so many braceros to do the work and fill the orders, that the domestics work day ended very soon. Domestic workers are entitled to at least 8 full hours of work a day and certainly the Ventura County Farm Labor Assoc. was violating Public Law 78, and so was Mr. Jones the grower. The Ventura County Farm Labor Assoc. proceeded to pressure the domestic workers even more in every job they were put on.

Women were the targets of the Association and the strawberry growers. Many growers would not hire women unless they were sent by the Association and had a referral card and if they did hire them after all this, they pushed them to work faster, would check every box of strawberries they picked, would make jokes about the women to the Nationals working and generally made it as miserable as possible for them. Many times the women would be told not to return the next day because either they did not know how to work or there was no work for the next day. The following day the Nationals were working and they did not work. Some very experienced stawberry pickers, namely Mrs. Marcadia Duran and Mrs. Maria Balcasar were also fired and the wages were immediately lowered from 85¢ per hr. to the piece rate of 50¢ a crate.

Men and women were continuously refused work when they asked the rancher for

a job. School boys that came out of school the first week of June were refused work, unless they agreed to pick strawberries for 50¢ a crate, boys insisted on the 85¢ prevailing wage, in the end they were not employed. Another time, school boys who refused work because they did not want to pick peas at the piece rate of 2¢ a lb., the Association refused to send them out on other field work paying the hourly rate because we were told, they couldn't do a man's work, therefore they had to accept the piece rate or not work at all. The Farm Placement office would not refer young men to the Association unless he was at least 15 yrs. old and their ages went up, most were around 16-17 yrs. old. The dispatchers at the Ventura County Farm Labor Association amused themselves every morning with the domestic workers asking for jobs paying the 85¢ hourly rate and they insisted they had no such work available at the time. This kind of abuse was a daily reoccurance and certainly no member of this Senate Fact-finding committee, could ever construe this to be RECRUITING DOMESTIC WORKERS FOR FARM JOBS.

Two strong young men thought they would try picking lemons, lemon picking is only paid by piece rate, no hourly rate on this. Both men worked every day there was work for two weeks and one young man earned a pro-rate of 48¢ an hour and the other young man worked almost two additional hours earned an average of 50¢ per hr. They both quit after they were paid. Higher wages are definately a must for the domestic farm worker will work—but he must at least earn enough money to eat and sleep!

On May 21, 1959, Sec. of Labor James P. Mitchell came to Ventura, Calif, and was the guest speaker of the Downtown Ventura Lions Club. The Community Service Organization and our Union, organized a group of unemployed field workers and we went to the airport to meet Secretary Mitchell to apprize him of the plight of the field workers. Later that evening Mr. Mitchell met a group of workers and I attended this meeting. We presented Mr. Mitchell with written and signed statements of the discrimination being practiced by the growers and the Ventura County Farm

Labor Association against the domestic workers on job preferences. Secretary Mitchell appointed a Dept. of Labor Representative to investigate our allegations and report the findings to him. Mr. Jack Walsh was appointed and we met and talked to Mr. Walsh many times, we have also sent him written and signed documents of the direct abuses to the individuals.

On June 22, 1959, a meeting was called by Mr. John Carr, Director of the California Department of Employment. The U.S.Employment Security officals, National Press, Community Service Organization, United Packinghouse Workers, AFL-CIO district representatives, the Grower Associations and many growers were present at this meeting. Again the CSO and the United Packinghouse Workers voiced our grievances and there was a general understanding that the domestic workers are the legal and rightful workers to have the farm labor jobs and certainly Mr. Carr left no doubt in anyone's mind that the Mexican and Japanese Nationals were supplemental labor.

The field workers in Ventura County are aware of the fact that if they could secure work and not go to the Association Camp, they not only work a lot more comfortable but also they are paid better.

Many domestic workers worked with individual crew leaders that paid $1.00 per hr. for pick green tomatoes. The crew leader did not charge any transportation fee and he was always able to get the workers he needed. The workers worked steady, many times 9 hours a day for 6 full days and earned an average of about $45 to $55.00 a week.

Attached hereto are copies of complaints filed against the labor contractor, Jesus Garcia, who mistreated the domestic workers so bad and clearly told them that those workers he recruited himself on the roads would be paid 90¢ an hr, but those domestics that he picked up at the Ventura County Farm Labor Assoc. would only be paid 85¢ an hr. The work was the same and they all worked together but the pay was different. He admitted that he would have to pay the Mexican Nationals 90¢ an hr. if he paid all the domestics the 90¢ per hr. rate.

We also want this Senate Fact-finding Committee to know that here we have a labor contractor, who was licensed to recruit domestic farm labor, who housed and fed from 200 to about 400 Mexican Nationals during the tomato harvest. We took this information to the Farm Placement office, to the United States Employment Security and still nothing was done to prevent Mr. Jesus Garcia from working, housing anf feeding the Nationals. If labor contrractors are going to be allowed to continue this, the domestic worker is certainly going to suffer even more than he has already. Mr. Hayes told us in another meeting in Oxnard at the Union office of the United Packinghouse Workers in April, 1959, that if we could show him one labor contractor that fed and housed braceros, that he would take his license away from him. We continuously called this matter to the attention of the Farm Placement office, as is evident, in copies of our letters to the USES Labor Representative, Mr. Morales, and also to Mr. Turner, Farm Placement Office. These copies are attached to this report.

The field workers in Ventura County have demonstrated to every office that would lend an ear to the desperate need of higher wages, better jobs and certainly to the elimination of the excessive number of Mexican Nationals in this county.

There is enough work in Ventura County for all the unemployed domestic workers in Ventura County and other counties.

We therefore call for a minimum wage for farm labor of $1.00 per hr., for free transportation to and from work; for proper toilet facilities and drinking water facilities, hand washing facilities, for decent treatment by foremen and growers alike, and for legislation which will establish the right of agriculture workers to bargain collectively for the pay, hours of work and working conditions.

C. KNOWLES

The Senate Fact Finding Committee on Labor and Welfare

Fresno Hearing, January 27, 1960

Statement on Behalf of United Packinghouse Workers of America, AFL-CIO
Clive Knowles, International Representative, and Rachel Guajardo, Business Agent, Local 78, UPWA, AFL-CIO

There is no problem requiring legislative attention which has been more studied and about which less has been done than the plight of the American farm worker. This particularly true in relation to the farm worker in California. Dr. Lloyd Fisher, in his authoritative work published by Harvard University in 1956, "The Harvest Labor Market in California", states that since the mid-thirties over 50 investigations had been made by federal, state and private organizations in the conditions of workers in California griculture. Since that time there have been several other such hearings held.

The facts are well known and little remains to be done, so far as the record is concerned, except to bring the facts up to date for the past few years.

There is already spread on the record of this committee the statistics involved so far as the working force in California is concerned.

But statistics are not people and it is primarily people, the half million people who work in agriculture in California who we are here concerned with. More particularly we are concerned with the 350,000 wage or salaried workers in agriculture.

The economic framework within which these people work is well known.

A small minority of powerful agricultural operators dominate commercial farming in California. The report of the Sub-Committee on Agricultural Policy, Joint Economic Committee, 85th Congress, states, with respect to California agriculture, that "large farms comprised only 14.2% of the commercial farms, accounted for 60.9% of the farm land and 48% of the value of land and buildings, utilized 44.6% of the farm labor, and produced 67.6% of the total farm sales. Average sales per worker on the small farms was $1,099.00 -- on the large farms $9,675.00."

The wages of workers on California commercial farms are set generally on a non-competitive basis by so-called grower associations which are in the main associations of highly organized and integrated corporate farm operations. This fact is amply documented in Dr. Fisher's study of "The Harvest Labor Market in California". If further corroboration is required I refer you to the letter of the Imperial Valley Farms Association placed in the record by Mr. Norman Smith at the El Centro hearing in which the 800 members of that association are advised that a meeting of the board of directors of the Imperial Valley Farms Association in December had decided that wages in the Imperial Valley for field work should be raised from 70¢ to 75¢ an hour and instructed the members to "govern" themselves accordingly.

California agriculture is a highly mechanized, industrialized operation. To define its character and differentiate it from what ordinarily has hitherto been known as farming in the United States, the California State Chamber of Commerce has coined the phrase "agri-business" to designate this three billion dollar a year industry's operation. The five hundred million dollar a year row crop industry with which the United Packinghouse Workers of America has contractual relations covering its

operations in Arizona, Imperial Valley, Coachella Valley, Salinas Valley, and San Joaquin Valley, customarily in all its publications refers to itself as an industry. Parenthetically it should be noted that while this committee and others have had many witnesses before them presenting themselves as "farmers" representatives of such powerful combines as the Western Growers Association which boasts that it represents the five hundred million dollar a year row crop industry, the Grower Shipper Vegetable Association of Salinas and others, for some strange reason do not choose to present the real face of the industry to the public when opportunities such as this are afforded. Nor does Sunkist Growers which operates 132 packing sheds and employs, as well as thousands of braceros, in the neighborhood of 12,000 packing shed workers at the peak of the season either directly or through its subsidiary organizations, come before you and lay down the facts as to its operations.

4.

As was found by the La Follette-Thomas Committee of the United States Senate in the voluminous records of the hearings, the powerful corporate interests in California agriculture have in the past operated and continue to operate politically through a number of front organizations which attempt to present to the general public the face of the small farmer as the face of California agriculture. The La Follette Committee found that the activities of these organizations were in the period of the most vicious suppression of civil rights of agricultural workers, coordinated by the California State Chamber of Commerce. That this is still true is shown by the fact that the California State Chamber of Commerce, during the hearings held by the Roosevelt Sub-Committee of Congress in 1958 on minimum wages in California agriculture, openly stated in its monthly publication that its agricultural committee had coordinated the testimony of the witnesses from the various sections of California agricultural industry before that committee.

For further information on this point I refer you to Report of the Senate Committee on Education and Labor, 78th Congress, Report 398, Part 4, entitled "Associated Farmers of California, Inc." and Report 1150, Part 3, of the 77th Congress entitled "The Disadvantaged Status of Organized Labor in California's Industrialized Agriculture".

5.

While California's commercial agriculture is highly organized, integrated and coordinated and exercises monopoly functions over the work force, the worker in California agriculture has had a disadvantaged status with respect to his rights as a worker, compared with the workers of other industries over many years. His basic right to organize into trade unions and thus to confront the monopoly power of the employer with a countervailing force has never been recognized legally. So far as agriculture is concerned, the law of the jungle prevails in relations between workers and employers in this industry. The only method of securing union recognition and collective bargaining is through strike action. We have some experience with what happens in strike actions of agricultural workers over the past year and will relate some of the experiences a little later in this statement. To make matters more difficult for the workers there are on the statute books of towns, cities and counties of this state ordinances which are clearly unconstitutional denying the right of free speech so far as that relates to the use of sound trucks and harrassment by the police on occasions when workers take action, usually far beyond what is required to maintain order.

6.

In denial to the agricultural worker of his elementary rights, the state of California through the Farm Placement Service has been a powerful ally of corporate agriculture in fortifying a system which for hundreds of thousands of workers has resulted in a condition which in many respects is worse than peonage or slavery. A slave or

peon at least has some assurance of having food for himself and his family and a shelter over his head. The California agricultural worker has neither. Mr. John Carr, formerly Director of the State Department of Employment has been quoted in the press as stating that his investigation of the Farm Placement Service showed that one of the main functions of the personnel seemed to be "horning domestic workers away from farm employment". Our experience in Imperial Valley, Ventura County and Monterey County over the past six years is that this was exactly the state of affairs.

Although Public Law 78 specifically requires under Section 503 that consultations be held with representatives of the workers to determine whether domestic workers are available and whether the employment of braceros would adversely affect domestic workers, prior to this year no such consultations were ever held.

The representatives of the row crop industry in California never fail to emphasize before committees such as this that they enjoy no subsidies for their commodities and that they want none, yet this does not correspond with the facts. The facts are, as was testified to by Mr. Brockway and others, that the operations of the Farm Placement Service are paid for by taxes on employers outside the field of agriculture and that the Farm Placement Service has functioned in such a way as to provide industrialized agriculture in the main with a foreign work force employed at wages which from the standpoint of American workers can only be classified as starvation wages.

The fact is that since the introduction of the bracero program the Farm Placement Service has in the main merely functioned as a rubber stamp agency for recommending approval of certifications of Mexican Nationals to replace domestic workers.

How this works is shown by the following case involving a crew of 27 domestic workers who were employed as skilled lettuce packers in field operations from 1953 through 1958 by the Salinas Valley Vegetable Exchange. This crew commenced each season of their employment in January in the Imperial Valley, the site of their permanent residence; they worked in this area until May and then were employed by the same employer in Arizona for about 5 weeks, following which they worked from May to November in the Salinas area. They were paid the sum of 18¢ a box in 1953 and this was raised in 1958 to 22¢ a box. A crew of 4 men averaged 40 boxes an hour and split the money between them. This gave each worker an average hourly earning of approximately $2.50.

Beginning in 1954 and continuing up to the spring of 1958 braceros were introduced into the same fields with these men. The braceros received a flat hourly rate of 70¢ for the work. The original crew of domestic workers numbered more than 90. With each succeeding year the number of braceros working in the field with the crew for the Salinas Valley Vegetable Exchange was increased and the number of domestics was decreased.

In the spring of 1958, after 4 years of consecutive employment by the Salinas Valley Vegetable Exchange in the areas mentioned above, these workers were advised that they were to be replaced in their work by Mexican Nationals. In the fall of 1958 when these workers reported for work in Imperial Valley, they had been replaced by Mexican Nationals.

This displacement of domestic workers by Nationals together with the adverse affect created by reducing the wage from the former piece rate amounting to $2.50 an hour to the rate of 70¢ an hour came to our attention in February of 1959.

At that time a letter was sent to Mr. Glen Brockway, Director of the U. S. Employment Service, protesting this displacement and the adverse effect created on the domestic workers by the reduction in the earnings of the lettuce packers.

No written reply was ever received to our communication. We were advised verbally however by a representative of Mr. Brockway's office that while there appeared to be no question of adverse effect in this case, that the matter should have been raised the year before when the incident occurred and that there was nothing that could be done about it.

These skilled domestic workers are now working in the Imperial Valley, but no longer as a crew. When they were dispatched by the Union to the Farm Placement Service office in El Centro last winter they were referred to the Imperial Valley Farmers Association which refused to accept crew referrals and at that time even car referrals of groups who worked together and traveled in one automobile. As domestic workers they have been continually harrassed by the foremen of the field crews and many of them have left the industry. It is our contention that this deliberate policy of discrimination against domestic workers has not changed in Imperial Valley although the forms of non-discrimination are scrupulously observed. The discrimination takes the form of assigning domestic workers to the hardest work in the field such as loading where workers receive 30¢ a truck for loading boxes of lettuce all day long, by assigning them to parts of the field where the work is the hardest and conditions the worst, by verbal harrassment, and by threats of reprisals in instances where domestic workers become active in their own behalf with the Union or the Farm Placement Service. A great many of these workers live in Mexicali, although they are American citizens or entitled to be lagal residents of the United States, because living conditions are cheaper there.

Further, these same commercial interest in agriculture through marketing agreements under the laws of the State of California enjoy what amounts to a monopoly position with respect to the consumers of this state who buy their products , in that the prices are rigged by a so-called pro rate system in such a way as to guarantee these corporate farmers a profit. Yet the workers whose earnings are affected seriously by the operations of the marketing agreements have no guarantees of any kind which would protect their interests when such marketing agreements are in effect.

The operation of the bracero system has been and is a threat to the wages and working conditions of workers in other industries since the domestic agricultural worker has been forced out of agriculture in the main to seek employment in the urban areas. Such a worker is at the mercy of unscrupulous employers in the urban areas and has been and is being used to undermine long established union contracts with employers in other industries.

It would therefore appear urgent that a statute should be enacted providing for workers in agricultural industry procedures under which, through state government conducted secret ballot elections, such workers could designate a collective bargaining agent of their own free choice and employers required to bargain in good faith with such duly designated bargaining agent on wages and working conditions for their employees. In our opinion this is the basic reform which is needed before any material improvement in the wages and working conditions of California's agricultural workers can be expected.

In this connection experiences of this organization in representing agricultural workers seeking to enter into collective bargaining relations with agricultural employers have direct relevance.

Last July 27 domestic workers employed by West Coast Farms at Watsonville, California on a celery field packing machine struck for recognition of this union as their bargaining agent. At that time a crew of approximately 40 braceros was working in the same field cutting the celery which was placed by them on the machine where it was sorted and packed into cartons. Shortly after the workers left their jobs and began picketing the field, the braceros were removed. Several days later however crews of braceros were brought in buses through the picket

lines into the field and harvested the celery, placing it in trucks where it was was hauled to packing sheds in the area for packing. This organization protested vigorously to Secretary of Labor Mitchell, demanding that braceros not be used as strike breakers. No action was taken by any governmental agency. Arguments raised to us by governmental agencies were that these braceros were not doing the same work as the strikers had been doing. The field was harvested over a 3 day period and the strike was broken through the use of braceros.

About the same time a strike was called by this organization on a cello packing carrot machine which employs up to 90 people. This machine was then operating in the vicinity of Salinas with domestic workers doing the packing work on the machine and the braceros were harvesting the carrots and placing them on a conveyor belt which led to the machine. The overwhelming majority of the domestic workers left the job and began picketing. The union demanded that the braceros be removed from behind the pciket lines and not be used as strike breakers. The cello packing operations on the machine involved placing carrots in small cellophane bags not weighing more than two pounds at the most. As a result of the strike and because the employer did not have sufficient workers to continue the cello packing of carrots, the cello packing operation was stopped on this machine and with a hastily recruited skeleton crew of domestics the carrots were bulk packed in large bags. For several days the production on the basis of bulking the carrots was cut by 60% of what had been the normal production. We were advised however by governmental agencies that the strike was not seriously affecting the production because the employer was getting a substantial portion of his total production and for this reason the braceros were not removed and continued to act as strike breakers. Had it not been for the braceros the employer would not have been able to maintain his production.

Incidentally this same employer in 1958 without any certification or authorization either by the State Department of Employment or the United States Employment Service employed braceros on this operation which, without question, is the most highly mechanized factory in the field operation in California agriculture. This was brought to the attention of the proper authorities several months after the employer had violated the law in employing braceros. The union demanded that the braceros be paid the prevailing ratefor cello packing carrots which at that time in the Salinas area varied from $1.45 to over $2.00 in the packing sheds. No other cello packing of carrots was done in the Salinas area except in packing sheds and there was no comparable operation in field work by domestics anywhere in the state. A year after the complaint was made we were advised by representatives of the U. S. Employment Service that negotiations were being conducted toward a settlement of this matter. Shortly thereafter we were further advised that the settlement had been made but that the rate the employer was required to pay the braceros had been set at somewhere in the neighborhood of $1.25 an hour rather than what had been the prevailing rate for that work in the area.

I have here a picture showing braceros working behind the picket line at the Watsonville strike mentioned above which I would like to present to the committee as an exhibit at this time. I would like further at this time present as an exhibit – a reprint from the Packinghouse Worker, the official publication of this organization, entitled "Strike Hits Imperial Valley as L a Machina Moves In". This exhibit contains a large photograph of the carrot cello packing machine which under present statutes is regarded as agriculture.

No statement before a committee constituted to inquire into the facts about California agriculture would be complete without reference to the shocking scandle of child labor in California's three billion dollar a year agricultural industry. The shameful fact is that over 4,000 children have been maimed in seriously disabling accidents in the State of California since 1950 in agriculture. In 1957 such " seriously disabling accidents occurred to children in 42 of the state's 58 counties". The largest number of children reported as seriously injured while working in violation of state law were hurt while "working on or in proximity to moving machinery or power driven equipment".

I do not have reports of the Division of Labor Statistics and Research later than 1957. That report lists "a few of the more serious accidents" as follows:

> "A 9 year old cattle feeder caught his foot beneath a tractor driven by another employee. The 9 year old's foot was crushed".
>
> " A 13 year old caught his foot in the blades of a feed chopper while trying to push green alfalfa into the chopper with his foot."
>
> "A 14 year old boy suffered multiple fractures when the tractor he was driving overturned. The boy had been employed as a tractor driver 8 hours a day, 7 days a week".

On the average, more than 500 children every year, including minors who are illegally employed, suffer serious disabling accidents. Yet it is common practice to hear representatives of California's corporate agriculture call for the loosening of laws which supposedly regulate employment of children in agriculture. Such testimony is on the record repeatedly in testimony taken by the Industrial Welfare Commission last year during hearings held on the question of whether or not a minimum wage should be established for women and children employed in agriculture. Certainly one of the recommendations which we feel this committee should make to the Legislature is that the laws relating to child labor should be tightened up and severe penalties proscribed for those who illegally employ children, particularly where children are permitted to work "in proximity to moving machinery or power driven equipment".

Appended to this statement are two documents in which field workers in their own words have stated to the undersigned the conditions under which they have been forced to work and live.

In conclusion may I re-emphasize what was said earlier that in our opinion the major reform which is needed in California agriculture is the enactment of legislation which will protect the right of agricultural workers to organize and bargain collectively with their employers. It is high time that the law of the jungle is eliminated in California agriculture and that for it should be substituted the same procedures now applying in other industries by which workers can establish collective bargaining relationships with their employers.

A CALIFORNIA MIGRATORY WORKER TELLS HIS STORY

*(This letter was written by an Imperial Valley field worker. The envelope in which it was sealed was inscribed "To whoever sees this and cares to read it." The following is a translation from the Spanish.)

My name is _____. I have six children and wife, which make eight with me. My wife has been sick for the last two years and there are days that we can't even afford beans, much less a glass of milk for our children.

For the last two years we have been traveling from the coast of California to Arizona, living and taking all kind of insults. Sometimes when we get a job we are disciminated by the foremans. In screaming voices they tell us local workers to strip over. They do this with the intention of getting us disgusted so we leave our jobs but we stand fast and take all this for the sake of our children. When the foremans see that we don't pay any attention to their insults then they put us to do the hardest work available and if we take this also then they wait for the first opportunity to come - say if we arrive a little late to work because the car did not want to start or that we had a flat tire - then the foreman comes to pay us for the time we have worked. We beg the foreman not to take our jobs away, that we have many children, but the foreman tells us this: that is not my fault for you to have so many children for your pleasure. I'm only interested in the work. The company don't care of things of that sort - besides that, the company has plenty of braceros and actually is not interested in local workers because they are very lazy and don't want to work. Then we go home and on the way we pick up some cabbage and carrots and with this we arrive home. Next we go to see the owner of the little store in the corner and we explain our problems to him and soften his heart for our children, then he give us food on credit. The next week we go to see the same man with some excuse and again he gives us food on credit. The third week he wrinkles his nose, and when the fourth week comes we leave at midnight to some other town. We leave at this hour so the owner of the house we rent will not notice it because we are two months behind.

When we get to the other town we find ourselves with the same problems and again we start all over again doing the same we done before in the town we just left. If one of our kids gets sick we take him to the county hospital if we are lucky but most of the time we treat them with herbs, baking soda or with lard, one way or the other we make them live until we arrive to San Jose. If there is a lot of work we go to the employment office and get a job picking green beans. We pick about 5 baskets when they tell us its all over for the day because all the boxes are full. So we go home and start the next morning the same thing all over again, so we finally decide to go and work some place else because we can't make any money this way. We go to work at the onion field where they are paying 9¢ a sack and if there is enough work we make about 40 sacks in 8 hours. But we get behind again so we have to move again without paying the rent. We always go to some town where nobody knows us and this is the way we pass our lives with our children under nourished and with out clothes. My only wish is to get a good weeks pay so I can afford to buy my children some cakes or something sweet because I know that all children enjoy these things. But the way things are now it seems to me that there is going to come a day when we will not be able to live at any place since we owed money in all places we have been and fear also the police might be looking for us. There are thousands of families with our same problems.

But we have courage and will take it.

* The original of this letter is on file at the office of the United Packinghouse Workers of America (AFL-CIO) 1019 South Grand Ave., Los Angeles, California

STATEMENT OF

Ramon Martinez
Sanchez and Campos Streets, Laredo, Texas
26 years of age
Married
4 children, ages 7, 6, 4 and 10 months
Farm worker for 8 years
Worked in tomatoes, cherries, lettuce

I came to California from Laredo, Texas September 1 with my family looking for work and went first to the Stockton area, where I made $20.00 in two weeks. My family stayed in the car for the first week, the second week the Agricultural Workers Union gave me money for rent, and we stayed in a house. The most I made in any one day was $5.00 picking tomatoes. I wasn't able to support my family in Stockton so I left because I did not have money to pay the next week's rent and took my family and went to San Jose, because I heard there was work in that area.

I went to the Farm Placement Office in San Jose and they sent me to chop onions. I was paid 6¢ per sack and on the first day I made about $4.75 in 8 hours. I asked the man for housing for my family and he said it was too much trouble. The foreman's name was Lara, but I don't know the name of the grower. He said it was too much trouble to have people with families. He said it is better to have Nationals and he didn't want to give me the job the next day. This was a job I got from the Farm Placement Office. The foreman told me he could not use me the second day.

I saw in the paper in San Jose that there was work in Salinas, so I drove to Salinas with my family. In Salinas I went to the Farm Placement Office and the man told me that there work in onions and other vegetables, but they had no housing for my family. He told me they paid 85¢ an hour. I told him it was wrong to advertise for farm help without saying what the wages would be or whether there would be housing for a man's family. He gave me an address in King City which is about 50 miles from Salinas and I told him I didn't have enough gas to go over there but I would try. He told me that was the only thing he could help me with. I got to King City about 4:00. The man said he didn't have any house and I couldn't stay without some place to keep my family. I only had about a dollar so I bought gasoline and drove to Santa Maria and got there on a Sunday morning, September 27. I went to the police station because I had no money and asked them to help me. The police told me to get out of town as they didn't want people like me around. I got $2.00 from the Salvation Army in Santa Maria for gasoline and drove down to Los Angeles.

I arrived in Los Angeles about 4:00 Monday morning and ran out of gas on the freeway. I parked my car near City Hall and went to the Packinghouse Workers Union office in the morning to see if they could help me. They sent me to the Community Chest and the Community Chest sent me to the welfare. The welfare told me that they couldn't help me unless I would sell my car first. I couldn't do that because I need my car to find work. I went back to the Union and they got me some help from the Salvation Army. The Salvation Army gave me $15.00 and I understand they are going to give me another $5.00 when I go back up there.

I came to California because I wanted to give my children a chance to get an education and a better life. I never had the chance myself and I wanted my children to have it.

I have always been able to take care of myself and my family and have never had to ask help from anybody up to the time I came to California. My wife is 8 months pregnant and I am now faced with the problem of getting my family back on a thousand mile trip to Laredo, Texas with only barely enough money for gasoline. I am hoping to get work in Arizona that will give me some extra money so I can get back the rest of the way to Laredo.

Dated: September 29, 1959

Vow National Campaign to Aid Farm Workers



Questioning witnesses presenting testimony on plight of agricultural workers during open hearings in Washington conducted by National [illegible] Farm Labor are: Mrs. Franklin D. Roosevelt (right), and A. Philip Randolph, president of the Brotherhood of Sleeping Car Porters and a member of the AFL-CIO Executive Council (center).

WASHINGTON—America's two million farm workers, most of whom seek their living on giant fruit, vegetable and fibre factories-in-the-fields have been often called "the forgotten people." But they were in the national spotlight and on the minds of Congressional and Administration leaders during two days of open hearings held by the National Advisory Committee on Farm Labor.

Participants heard Secretary of Labor James P. Mitchell declare for a minimum wage law for farm work. He promised to offer an Administration Bill—but not until the next session.

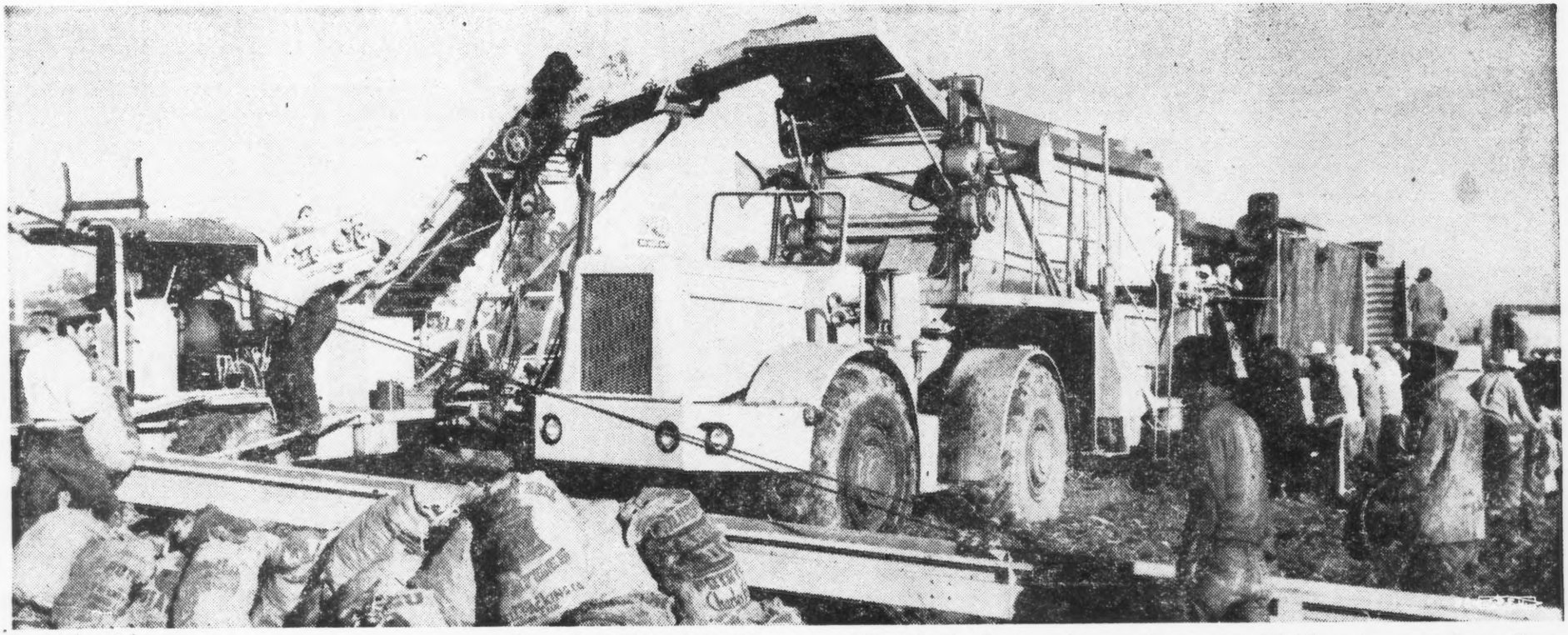
Administration Promises

Mitchell said he had ordered Labor Department economists to make a study of the possible effects of minimum wage legislation on each commodity. He said the Administration bill would be drafted following the study.

Senator Wayne B. Morse told the Advisory Committee th e believes Congress is ready to extend Fair Labor Standards Act cessfully challenged in the courts, he said.

Dr. Ernesto Galarza, secretary of the National Agricultural Workers Union, was among the witnesses to testify,





La Machina lumbers over vast carrot fields of California's Imperial Valley. A newcomer to lustrialized agriculture, its job is to package carrots ready for shipment direct from field, by-passing the packing shed where union workers earn $1.45 an hour and up. Company started work on La Machina at 70 cents. When strike followed injunction was issued limiting pickets around fields to four only.

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California Farm Research and Legislative Committee

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Statement prepared by the California
Farm Research & Legislative Committee for Presentation
before the

Senate Fact Finding Committee on Labor and Social Welfare
in Fresno, January 27, 1960, Hacienda Motel

Chairman James A. Cobey, and Members of the Committee:

My name is Philip Davis and I am Northern California Coordinator of the California Farm Research & Legislative Committee.

We appreciate the opportunity to express to you the considered opinions and policies of our membership on the subject of economic health of the rural areas of this leading agricultural state.

We are a non-partisan, non-profit organization with research, legislative, and educational functions. The majority of our approximately 1000 members are individual farmers or belong to affiliated commodity or cooperative organizations.

In seeking to strengthen the security and democratic institutions of rural America, we work closely with church, labor and resource groups for the mutual benefit of our nation, our state, and our local communities.

We are glad to testify here because we anticipate that your investigation will lead to measures which will stabilize the economic status of farm labor and we firmly believe that the welfare of agricultural labor and farm families living on their own land should be regarded as two parts of a single concept which we may call rural welfare.

Rural welfare as a single entity is not something separated from the thinking of our farmer members. It is a conviction repeated in hundreds of letters received in answer to the question: "What Should Constitute the Definition of a Family Farm in California today?"

It is illustrated by a recent conversation with a fig grower, who puts it this way:

> "It is an insult to me that my work is worth only eighty cents an hour on the market, which is the average wage paid Mexican Nationals in California."

Testimony presented to your Committee on November 5, 1959, by Mr. Irving Purless, director, State Department of Employment, Sacramento, shows that farmers and unpaid family workers accounted for 157,300 of the 456,800 persons averaged as working on California farms in 1958. During the week of peak employment in September, 1958, their number increased to 162,000 persons.

In contrast, regular domestic hired workers averaged 118,800 persons; local comestic workers, 102,300; seasonal intrastate workers, 21,400 persons; seasonal interstate, only 9,200; and contract foreign workers, 47,800 persons.

The problem which concerns us as farm operators, most of whom depend on hired labor for one or more regular or seasonal job, and who are also aware of the importance of our three-billion-dollar annual farm cash receipts on the state's economy, is:

(1) how best to retain the 118,000 regularly employed and 102,300 seasonally employed local workers in agriculture;

(2) how to increase the 21,400 seasonal INTRASTATE farm labor supply and thus reduce the need for contract foreign workers; and

(3) how to increase the number of INTERSTATE seasonal workers to further reduce the need for contract foreign workers.

Obviously the wage incentive is the most effective inducement to attract farm labor. Our members feel, as did the fig grower quoted above, that if the prevailing rate is so low as to carry a social stigma, then the farmer who does most of his own work on his own acres is smarting with the same stigma.

Whoever does farm work at a per hour rate below what is the prevailing rate for comparable work outside of agriculture, suffers the same humiliation, whether the actual return to the owner and his family is less per hour than the hired worker receives, or the same.

It is easy to show that the return on a farmer's labor is often less than the wage paid hired labor in the same region.

Table 672, Agricultural Statistics, 1958, published by the U. S. Department of Agriculture, shows earnings on dairy farms in the Central Northeast as 90¢ an hour; dairy farms in Wisconsin as 52¢ an hour; dairy farms in western Wisconsin as 63¢ an hour. These earnings are for the farmer and members of his family.

For cattle ranchers on the Northern Plains, per hour earnings were 20¢ an hour. Cattle ranchers in the Intermountain Region had the good fortune in 1958 to earn $1.31 an hour. But in the Southwest, they were credited with MINUS 69¢ an hour; and on poultry farms producing eggs in New Jersey, their debit was MINUS 29¢ an hour.

Unfortunately, no data was assembled for the various types of farming carried on in California. It is to be hoped that because of their skills and determination to retain their farm ownership in spite of rising operating and living costs, California farmers and their families, in spite of unbelievably long hours, can push their hourly earnings above those the average hired worker can command.

It is not in the nature of things, however, for the take-home pay of the family farmer to rise very much above what the large scale producer of his commodity or of competing commodities pays his help.

With these convictions in mind, our Committee supported a national minimum wage for farm labor in a statement before the Sub-Committee on Labor, Senate Labor and Welfare Committee, Washington, D. C., May 8, 1959.

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Speaking for Senate Bill 1085 (McNamara and Clark), we said in part:

> "We are duly aware of the fact that there are serious abuses at the state and national level creating substandard living and working conditions for farm workers and their families.
>
> "We deplore such conditions and wish to point out that they are the accumulation of years of neglect in solving a basic problem of our economy, namely that of giving status to an essential portion of our labor force comparable to that enjoyed by other sectors of labor through its organized ability to negotiate or through state and federal legislation.
>
> "We point out that such substandard conditions are paid for by every agricultural community, including farmers, not only by the underpaid workers themselves. They are paid for by depriving the children of farm workers of proper schooling, housing, clothing and food; by adding to the incidence of malnutrition and disease; by increased relief costs.
>
> "We believe that more adequate wages for farm workers would help business and the community in general and indirectly help California farmers by increasing the volume of sale of their produce.
>
> "We farmers, many of us depending on national markets for our outlets, recognize the impact of raising wages in California which might put us in less advantageous competition for this market with areas operating under wage scales considerably lower than those prevailing in California today, albeit these are inadequate.
>
> "We call attention to the fact that farmers, unless organized as grower-shippers or grower-processors in corporate enterprises or cooperatives, are unable to bargain for a fair price for their commodities.
>
> "Nonetheless, our Committee, comprising family farm operators for the most part, is on record for a national minimum wage for farm labor, not only as a simple act of justice, and economic stability to upgrade the living standards of these lowest paid, essential workers, but in fairness to those farmers who pay a comparatively high farm wage. . ."End of quotation.

In the House, our Committee supported H.R. 4948, introduced Feb. 24, 1959, by Representative James Roosevelt, 26th District, California.

This measure provided, we felt, a realistic approach to solving the problem of shoring up farm wages which differ so widely from the lowest-paying southeastern states to the higher-paying Pacific Coast states.

H R 4948 provides that the minimum wage for farm labor shall be not less than 75¢ an hour during the first year the Act becomes effective; not less than 85¢ an hour during the second year of operation; and not less than $1 an hour during the third year of operation and thereafter.

Some idea of the value of shoring up farmer and farm labor earnings may be gained from a study of a recent report prepared for consideration by the Joint Economic

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Committee of the U S Congress. Entitled: "The Low Income Population and Economic Growth," it discusses on pages 10 and 11, the employment status and occupation of heads of families with annual incomes under $2,500.

"Only a few occupations have more than 50% of all employed persons in the low income status," the author of the report, Robert J. Lampman, states. "These are the farm operator, farm laborer, and domestic service occupations. . . ."

Mr. Lampman's Table 6, on page 11 of the work cited, reveals that 60% of all families whose heads worked as farm laborers or foremen in 1957, had total money incomes of less than $2,500 that year. And 54% of the families of farmers and farm managers had incomes of that low level.

The study shows that there were 4,490,000 employed heads of families in 1958 with incomes under $2,500, excluding those in the armed forces. In this under-$2500-a-year group, families of farmers and farm managers accounted for 1,350,000 persons. Families of farm laborers and foremen accounted for 300,000 persons.

Obviously, some way must be found to assure both farm families and those of persons employed on farms an adequate standard of living.

The recognized machinery for obtaining their fair share of the national income under our democratic processes is collective bargaining. For labor this machinery consists of trade or industrial unions. For farmers, achievement of bargaining power rests with their ability to form bargaining and marketing associations through cooperative action.

The California Farm Research & Legislative Committee is on record for the right of labor to bargain collectively to improve its standard of wages and working conditions and we maintain that the same right should apply to farm labor.

This is going to be a long and difficult process, both for farmers and for farm labor. Moreover, it would be a mistake to rely entirely on a floor under farm wages to rectify the many substandard and dangerous conditions under which agricultural workers are required to work.

SEASONALITY and the uncertainty of weather conditions may make such inroads on annual earnings, even where minimum wages have been substantially raised, as to force farm families on county relief.

Where seasonal farm workers have established county residence, they are eligible for the various categories of welfare aid to tide them over the slack season. No such provision is made for intrastate or interstate farm workers who may be left stranded between farm jobs or after the season ends.

Financing of General Relief rests entirely on counties and they are understandably loath to strain their limited tax base for increased welfare appropriations. It has been suggested that, at least for applicants for county aid who live within the state, a matching fund be established on the basis of operating in accordance with state standards. Similar federal funds for out-of-state applicants might be considered.

Under present conditions, these stand-by workers and their families have only one recourse, since they are untrained for the only type of jobs open during the rainy season--reliance on private welfare agencies, who are finding it increasingly difficult to raise funds to meet their own budgets.

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The impact of applications for welfare aid is directly related to seasonality of employment in the two categories involved: General Relief and Aid to Needy Children, where heads of families are employable.

The extended dry spell in California through November 1959, was responsible, according to J. M. Wedemeyer, Director of the State Department of Social Welfare, for a drop in applicants in the General Relief category and a slowing up of the applications for Aid to Needy Children.

Referring to the 59,925 persons on General Relief in November, Wedemeyer says: "This is the first time during the past decade that weather conditions--or lack of bad weather, kept the general relief rolls down."

The number of persons in November receiving assistance under the "Aid to Needy Children" program was 250,026, an INCREASE of 13,959 from November, 1958.

The percentage of "employable" heads of families in these two categories and their farm work history should be made available by County Welfare Directors, to the State Department of Employment and to your Committee.

The availability of these recipients of public assistance who have a history of non-farm employment as a reservoir for increasing the domestic supply of farm labor, should be considered and necessary training and transportation provided for those who could qualify.

Unquestionably, a higher farm labor wage, improvement in conditions of employment, and cooperative arrangements within California and with neighboring states, to lengthen the work season, would reduce the present impact of sub-standard annual farm labor earnings on county welfare loads.

"The efficient recruitment and utilization" of migratory workers for the states of Washington, Oregon, and Idaho, and a solution to previous reliance on welfare agencies to take up the gap between families expecting to find work which was not available when they arrived, was reported last February 5 by J. W. Grant, chief of farm placement, Washington State Employment Security Department. The occasion was the "Public Hearing" conducted in Washington, D. C. at that time by the National Advisory Committee on Farm Labor.

"Now," Grant says, "migrant workers are brought into the state when they are needed. They are shifted from crop to crop and from area to area as the need for them develops. They have a reasonably full season of work and when they leave the state in the fall, they have money in their pockets. . ."

Washington's "Annual Work Plan" depends upon a close working relationship between the Texas Employment Commission and the Washington Employment Security Department . . . Firm orders for Texas workers are taken from Washington farmers during January each year. These orders specify, in considerable detail, the number and type of workers required, approximately when they will be needed, the type of housing they will be provided, rate of pay, earning guarantee, arrangements for advancing transportation costs, and, frequently, a statement that such costs will be deducted from the worker's earnings but will be returned to him together with return transportation money if he remains through the season.

The farmer may also predesignate a certain crew or crews that he has found to be satisfactory in the past. In a growing number of instances, written contracts signed by farmers and crew leaders are negotiated.

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As in California, according to Grant, the migrant farm worker is indispensable to the agricultural economy of the Pacific Northwest. This region produces 1/3 of the nation's green peas, 1/4 of its processed beans, 1/5 of its strawberries, 1/5 of its sugar beets, 5/6 of the nation's hops, nearly 1/4 of potatoes and apples.

Compared with California's figure of 9,200 seasonal interstate migratory use, the State of Washington estimates use of 20,000 such workers each year.

In contrast to California, the use of Mexican Nationals in Washington has declined consistently, until in 1958, not a single National was brought into the state.

The program meets with the approval of both the employer and the migrant workers, according to Grant. He cites an example of Texas workers brought in under the Annual Work Plan in 1958 by one of the largest users, where 90% of the workers remained until the job was completed.

Wage rates for seasonal farm work in the Pacific Northwest are among the highest in the nation. The worker who received 80¢ to 85¢ per hour for pitching peas in 1953, now receives $1 per hour or more. The most common hourly rate in most activities requiring male workers was $1.25 in 1958.

"It should be emphasized," Grant says, "that these increases are not as great as the wage increases taking place in nonagricultural industries. The major improvement in the welfare of the migrant worker has resulted not from his wage increases but from the fact that he has fewer periods of involuntary idleness.."

Cooperation between neighboring states in lengthening work periods and equalizing wages is illustrated in the successful "ironing out" of interstate problems which had in the past prevented the free flow of workers.

"At one point," Grant says, "Idaho Pea Growers were paying 85¢ per hour while across the border in Washington, the rate was $1.00. It is frequently advantageous to shift workers from one contiguous pea-growing area to another because the crop ripens unevenly. Such shifts are difficult to make where wage rates vary, and this, in turn, leads to a poor utilization of labor.

"Through negotiations arranged by the Regional Office, the rate in Idaho was increased to $1.00. Developments such as these have led to a greater interstate transfer of workers among the three Pacific Northwest States (Washington,Oregon, and Idaho), and a resulting fuller utilization of our labor resources."

We have taken your time to discuss the measures in operation in the three Northwestern states, because we feel that California, as well as these states, might benefit by the addition of our extended working period to theirs. We urge that you give this matter your consideration.

Advertising, as described in previous testimony before your Committee, does bring in people from other states, but the percentage, as has been shown, is extremely small compared to their use in the state of Washington.

Growers in California have preferred to rely on importation of Mexican Nationals who are on hand when wanted and can be sent home when not wanted.

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Planned contracts for out-of-state domestic farm workers, would solve this problem in California as it has in Washington.

An objection from some California growers that recruiting labor from Texas would merely open up the Texas market for cheaper Mexican Nationals, and thus sharpen competition because of their lower production costs, will be met when a "new look" is taken on how contracts for importing workers from other countries may be tightened up. It will also be answered by enactment of a national minimum wage, placing payment per hour for farm labor in Texas and other southern states at a figure considerably higher than their current "prevailing" wages.

Testimony of State Finance Director John E. Carr before your Committee makes some suggestions for such adjustments although we are not prepared to say whether they would be sufficient to close the gap between the price paid for imported labor and that required to recruit an adequate and dependable supply of domestic labor for farm work.

The State of California has already taken important steps to improve the housing, sanitation, and safety factors which heretofore have been so disadvantageous to farm workers.

On recommendation of the State Departments of Public Health, Agriculture, Industrial Relations, and Employment, county action committees are now being organized to cope with food crop harvesting sanitation problems, as you are aware.

The general lack of such facilities has been protested for many years by farm labor and their related labor organizations. The situation not only creates a danger to public health but lack of such facilities has deprived farm labor of the elementary decencies of life. They include: sanitary toilets for field workers, drinking water, and water for washing.

Adequate housing in camps properly equipped for serving the number of persons so housed and within financial limits of the income of migrant farm families, is basic to maintaining the essential labor supply, county by county. The proper state agencies have already done much to clean up this liability, although more needs to be done.

Likewise the elimination of accident hazards in transporting farm workers to and from work is under way. However, when workers are transported thousands of miles to meet seasonal crop harvesting needs, Federal, as well as State regulations are called for. This matter has also been discussed at some length in Mr. Grant's testimony.

With the increased use of farm machinery the safety of workers employed on farms becomes a major responsibility, not only of the Division of Industrial Safety of the Department of Industrial Relations, but of every farmer and farm organization. It is imperative that the current rate of farm accidents in California--which is 50% higher than the injury rate for all industry--be drastically cut.

In the report for the year 1957 (the lastest then available) which was presented to your Committee Nov. 17, 1959, by Maurice Gershenson, Chief, Division of Labor Statistics and Research, the subject of "Work Injuries to Young Farm Workers" is set forth in dramatic detail.

Employment of young workers during the vacation months for seasonal farm work is advocated by many farmers, farm organizations and economists. However, when

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one views the record, pages 25 to 35 inclusive, we are forced to conclude that unless drastic measures are undertaken to prevent the 512 disabling injuries to young farm workers which occurred in 1957, the risk is greater than the advantages.

When one adds the fact that these 512 injuries occurred in only the three summer months, while the total for the full year to ALL farm workers, including young people, was 16,157 in 1957, the figure is even more alarming.

One-third of the 127 children under 16 disabled in farm accidents in 1957 were illegally employed. For example, a 14-year-old boy suffered multiple fractures when the tractor he was driving overturned. He had been employed as a tractor driver eight hours a day, seven days a week.

Community responsibility for improving such local conditions as mosquito infestation, can go a long way in retaining crews who otherwise have been known to vanish overnight. Mosquito abatement districts now operating in our river valleys, have dealt effectively with this scourge.

Establishment of clinics, providing day care and kindergarten facilities, and in expanding recreational services to include migrant farm families should be recognized by Boards of Supervisors and City Councils as their responsibility as well as that of the religious groups who have pioneered in this field.

In conclusion, PLANNING for an adequate supply of all-year-round trained, responsible, domestic farm workers is possible. Such planning must also provide for meeting peak harvest demands.

To be effective, PLANNING, built on the foundation of a fair minimum wage, requires the cooperation of federal, state, and local government agencies, all farm organizations, and local communities.

It must be based on respect for the individual worker and his family and a re-evaluation of the contribution which farmers and farm workers make to our society, as "first-class" NOT "second-class" citizens.

Finally, we must realize that reliance on underpaid imported labor is non-realistic. While the standard of living which we offer imported labor may be better than what he can command at home, the determination exists in each of these countries of origin to build a skilled agriculture. And not the least of the inducements which bring these workers to our farms is the ability of learning new skills which they soon hope to apply to their own farms as individual owner-operators or members of farmer cooperatives. These "loaned" workers must be treated as "good neighbors" today, as we treat their countries as "good neighbors" in a better world for all.

Concurred in by

Lester Grube

Lester Grube, Chairman
Farm Labor Subcommittee

W. TOLBERG

E. STEFFIN

Statement Prepared by the California State
Chamber of Commerce for Presentation before the
Senate Fact Finding Committee on Labor and Social Welfare
Fresno - January 26-27, 1960

Mr. Chairman - Committee Members and Guests:

My name is James Houseberg and I am Director of the Agricultural Department of the California State Chamber of Commerce. My object in appearing before you today is to state the policy of the State Chamber of Commerce in regard to Public Law 78 (The "Bracero" program).

Your recent series of hearings have brought before you most of the facts concerning Public Law 78 and the administrative details involved with it. Basically, this law permits limited numbers of Mexican Nationals, under legal safeguard, to come into our State to supplement our domestic supply of labor, for specified periods of time, to perform specified types of agricultural labor.

A tremendous part of California's agricultural prosperity, estimated at about 3 billion dollars for 1959, is based upon our fresh fruit and truck crops which are extremely perishable. When any particular crop is ripe, it must be harvested immediately or be lost. Therefore, unless qualified willing and able labor is available on the exact day it is needed, the farmer suffers losses which can be disastrous. Annual crop maturity records for the highly perishable produce in California show the peak labor need to be in September, with July and August representing close seconds. It is generally difficult for the farmers to obtain sufficient qualified willing and able local labor, particularly during these months. This law (Public Law 78) has made it possible for California farmers to supplement the available local domestic labor supply and complete their harvests, thereby bolstering

the State's economy. Largely by means of this program our farmers have developed the nation's largest fruit and vegetable industry - now world famous. For these reasons the State Chamber supports the program, and recommends no termination date.

Thank you gentlemen

EJH:emc

T. PETERSEN

TO: Senate Fact Finding Committee
on Labor and Welfare

Attention: Senator James A. Cobey, Chairman

Re: Public Hearing February 26, 27, 28, 1960

Hacienda Motel, Fresno, California

FARM LABOR NEEDS, MERCED COUNTY - FIGS

1. Pre World War II needs were filled by resident and migratory domestic labor.

2. Inception of World War II necessitated importation of foreign labor.

3. Post World War II period necessitated and continues to necessitate importation of foreign labor for harvest purposes.

   (a) INdustrial absorbtion

   (b) Socialization - Second generation hesitancy

   (c) School attendance laws - enforcement

   (d) Child labor laws

   (e) Weather conditions - late crop

4. Functioning under the Mexican National (Brazero) program - public Law 78

   (a) Industrialization - impossible

   (b) Alternatives to the use of Nationals - unfeasable - present available domestic labor unfit - limitation of time for need.

   (c) Regulations requiring compliance should be realistic

   (d) Mexican National labor is not cheap labor.

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C. TELFORD

CALIFORNIA LEGISLATURE SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE.

TO MEMBERS OF THE SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE:

Gentlemen:

I will attempt to be as brief and as factual as possible in the testimony which I have to present. During the 1959 harvest season of freestone peaches in Merced County, which started the first week in August, there was a continuing shortage of labor supply in Merced County. This shortage was aggravated by the fact that we had some rather unusual weather conditions and the fruit in many cases did not reach its normal size; but this fact, not withstanding the total available manpower in the area would not have been sufficient to handle the crop, even if it had achieved normal size.

Labor Contractors were apparently not able to secure sufficient local help in the Merced area, or even from the so-called Stockton Labor Pool. This is borne out by the reports issued by the Farm Placement Service during the month of August of 1959. In these reports you will notice that the Department of Employment has taken note of the unmet labor needs in the San Joaquin Valley; in fact, in their report week ending August 22, they state that almost two-thirds of the unmet shortages occurred in the San Joaquin Valley.

During the time of the most critical shortage, this Association worked with growers in securing servicemen from the Castle Air Force Base for fill in work. The Airbase was most helpful and the men were very willing although unexperienced in the harvest of

freestone peaches, but if it had not been for their help there would have been a greater loss of fruit in this Merced County area than was estimated by the Farm Advisor's office.

The actual loss due to lack of labor was estimated at from 10 to 15% by the Merced County Farm Advisors office. Mr. L. T. Powell, of Winton, and other growers in that immediate vicinity estimated that the shortage of labor would have amounted to approximately 1000 to 1500 men for that area of Merced County during the peak of the harvest season.

In Stanislaus County essentially the same conditions existed and local committees were set up to try and implement the work of the Labor Contractors and Farm Placement Service. It was only through the monumental efforts of the Farm Placement Service and these local committees that the loss in Stanislaus County was prevented from becoming of major proportions.

C. J. Telford, Manager
CALIFORNIA FREESTONE PEACH ASS'N.

C. PRUESS

EYVIND FAYE

JACK SULLIVAN

N. SMITH

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

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STATEMENT BEFORE CALIFORNIA SENATE FACT-FINDING COMMITTEE
ON LABOR AND WELFARE, FRESNO, JANUARY 26, 1960

I. Introduction

Through previous hearings, and through investigations in the field, members of the Senate Fact- Finding Committee on Labor and Welfare have gathered information concerning the history and present status of agricultural workers in the State of California. At this, the last of the Committee's hearings on agricultural labor, we should like to focus upon the future for California's farm workers. Recognizing the purposes of the Committee, we shall couch our discussion largely in terms of actions which the State Legislature might take. At certain points in our testimony, however, we shall comment upon developments in other branches and at other levels of government.

II. Looking Backward

We Californians may properly take pride in the fact that, with regard to several important types of farm labor legislation, our State leads most of the rest of the nation.[1] California is one of four states with regulations governing the interstate transportation of farm laborers.[2] Ours is one of four States having laws which expressly apply to farm labor contractors.[3] Only fourteen other States have child-labor laws which apply to agriculture.[4] California is one of ten States with enforceable farm labor housing standards.[5] Only seventeen States, besides California, have election laws which permit migrant farm workers and other absentee voters to register and vote by mail.[6]

1. For a detailed summary of State and Federal farm labor legislation, see Robin Myers, "The Position of Farm Workers in Federal and State Legislation," New York: National Advisory Committee on Farm Labor, 1959.
2. The others are Connecticut, Oregon, and Pennsylvania.
3. The others are Oregon, Texas, and Washington.
4. The others are Alaska, Connecticut, Florida, Hawaii, Illinois, Maryland, Massachusetts, Missouri, New Jersey, New York, Ohio, Pennyslvania, Utah, and Virginia.
5. The others are Delaware, Florida, Hawaii, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, and Wisconsin.
6. See Myers, op. cit., p. 26

California is among the fifteen States with wage collection laws which include agricultural workers on an equal basis with other types of workers.[1] And California is one of only three States with workmen's compensation legislation which applies equally to agricultural and non-agricultural employees.[2]

We of the Agricultural Workers Organizing Committee, however, consider it most unsound to conclude from this evidence, as some conclude, that California has done all that may be expected of her, and that she can now afford to wait complacently for the rest of the nation to catch up to her present position.

We believe, both as representatives of agricultural laborers, and as Californians, that our State can do better than this. We believe that every advance toward equity for farm workers in other parts of the country should serve as a spur to us to continue the leadership which California has demostrated in the past. We Californians should never be content with looking backward, congratulating ourselves on all that we have done. Our proper stance is looking forward toward the things which we have not yet done -- but which are within our power of accomplishment.

In the remainder of this paper, we shall discuss two principal types of tasks to which we believe Californians and their elected representatives should look forward. The first, we shall call tasks of implementation: ways in which the intent of existing laws and regulations might better be clarified or carried out. The second, we shall call tasks of construction: the building of needed legislative [illegible] or administrative structures where none exist now.

III. Looking Forward: Implementation

We favor the enforcement of existing farm labor legislation and regulations, as we favor the enforcement of other legal codes and mandates, because such discipline is healthy for the body politic. We are troubled when laws -- those covering farm labor, or any others -- are ignored or flouted, since this brings law as such, and ultimately democracy itself, into disrepute.

In addition, of course, we favor the enforcement of existing farm labor regulations because these regulations serve a most important purpose: to protect a population group which has historically lacked the means to protect itself.

In our opinion, most of the State agencies which are engaged in the enforcement of California's several forms of farm labor legislation are carrying out their duties reasonably conscientiously and effectively. For some years, the Farm Placement Service was an exception to this general statement, but we are encouraged by developments within that agency during the past six months. We should like to go emphatically on record at this time as opposing the efforts of grower interests to divorce the Farm Placement Service from the State Department of Employment. In the first place, this would be inefficient and poor administrative practice. In the second place, it would serve to perpetuate the pernicious myth that farm employment and other types of employment are different in kind. And in the third place, agricultural employers obviously favor such a step only because they have reason to believe they would be able to dominate an "independent" Farm Placement Service in the same manner they dominated it during the twelve years prior to the organizational changes of August 1959.

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1. The others are Alaska, Arkansas, Connecticut, Hawaii, Illinois, Indiana, Michigan, Nevada, New Jersey, New York, Oregon, Rhode Island, Washington, and Wisconsin.
2. The others are Hawaii and Ohio.

We believe that several of the State agencies are hampered in their efforts to implement farm labor laws, through lack of manpower. This is to say, the appropriations they receive from the State legislature are insufficient to implement fully the laws which the legislature itself has enacted. We are well aware that this is a virtually universal complaint among administrative agencies. We can understand that in the light of certain political and economic realities, may have to develop a thick defensive shell against such complaints. But we should like to place in the record a few facts which we believe put the pleas of farm labor enforcement agencies on a different footing from most.

A.

The Division of Housing, of the State Department of Industrial Relations, reports there are approximately 7,000 labor camps of record in California. (See Table 1). There are probably another 10% which are not "of record." The reason they are unknown is that the Division has too few inspectors to search them out. The implications for inspection of the 7,000 camps which are known to the Division are too obvious to require elaboration. There are only 29 housing inspectors in the Division, and they have many duties besides farm labor camp inspections. They are responsible for checking motel construction, swimming pools, skating rinks, and many other types of public facilities. We believe an increase of 15 men in the inspection staff of the State Division of Housing would be altogether modest and reasonable, and we urge the legislature to appropriate sufficient funds for this increase. (We understand such a proposal was considered by the 1957 legislature, but was defeated at the behest of grower pressure groups.)

B.

The Division of Industrial Safety, another arm of the State Department of Industrial Relations, is responsible for much of the enforcement of the State's farm labor transportation regulations. This Division is confronted with substantially the same problems as the Division of Housing. Its responsibilities for farm labor safety are vast and tremendously scattered geographically. There are probably well over 100,000 trucks and buses in California which are used at one time or another for the transportation of farm workers. And, furthermore, the Division of Industrial Safety has a great many responsibilities in addition to the inspection of farm labor transportation. Here, once again, we consider it little enough to ask that the legislature grant the Division sufficient funds to expand its inspection staff by 50%.

C.

The Division of Labor Law Enforcement is still another agency of the State Division of Industrial Relations which, in our judgment, would give the people of California more than value received if its appropriations were increased. We urge the legislature to consider that there are far more places of employment, and employers, in agriculture than in any other industry, trade, or service in California. (Almost 90,000 farms hire one or more employees.) We urge the legislature to consider, furthermore, that agriculture is unique in its reliance upon a system of labor relations which is peculiarly conducive to wage and related grievances: the labor contractor system. While we appreciate the job which the Division of Labor Law Enforcement is doing with its present facilities, we believe the Division could do an even better job if it were able to strengthen its staffs in heavily agricultural counties.

Table 1

LABOR CAMPS OF RECORD[1] IN EACH COUNTY EMPLOYING MEXICAN NATIONALS, CALIFORNIA, 1957

County	Number of Camps	County	Number of Camps
CALIFORNIA, TOTAL	6,939	Riverside	353
Alameda	83	Sacramento	193
Butte	150	San Benito	41
Colusa	106	San Bernardino	218
Contra Costa	131	San Diego	268
El Dorado	58	San Joaquin	642
Fresno	530	San Luis Obispo	89
Glenn	35	San Mateo	29
Imperial	188	Santa Barbara	117
Kern	326	Santa Clara	367
Kings	96	Santa Cruz	87
Lake	52	Shasta	48
Los Angeles	222	Siskiyou	53
Madera	96	Solano	160
Mendocino	55	Sonoma	148
Merced	154	Stanislaus	139
Monterey	247	Sutter	292
Napa	55	Tehama	31
Nevada	11	Tulare	213
Orange	133	Ventura	165
Placer	200	Yolo	220
		Yuba	67

SOURCE: State of California, Department of Industrial Relations, Division of Housing, personal communication.

1. Known to the State Division of Housing as of September 30, 1957.

D.

We believe, too, that the legislature would do well to look forward to the issuance of an agricultural wage order by the State Industrial Welfare Commission. Such an order, currently under consideration by a board of employer and employee representatives appointed by the Commission, will include regulations affecting wages, hours, and working conditions of women and minors in agriculture. The implementation of the order will require an appreciable expansion of the present staff of the Division of Industrial Welfare. Although we have no way of knowing precisely when the order will be issued, we feel that funds for enforcement should be appropriated soon, to be held by the State Controller on a contingency basis until such time as the order is issued.

E.

We also believe that a strengthening of the Division of Industrial Welfare is called for as a means toward more effective implementation of the State's child-labor laws. Additional funds for the Department of Education, specifically for this purpose, also should be seriously considered. It is a matter of common knowledge that many children under the age of 14 are employed in California agriculture on school days, and even more children under the age of 12 are so employed when school is not in session. Every such case is a violation of the laws of the State.

F.

We urge increased appropriations for the Division of Research and Statistics of the State Department of Emplpyment. One of the greatest weaknesses in the Department's present procedures lies in the estimates which are made periodically concerning farm labor needs and resources. Another very conspicuous weakness consists in the Department's periodic surveys of so-called "prevailing wage rates." At the present time, these statistical exercises are carried out by local offices of the Farm Placement Service, which often fail in their task for one or a combination of the following reasons: (1) local FPS representatives are subject to powerful local pressures, usually from grower interests; (2) these representatives, having many other duties, are not able to spend the time which would be required for careful assessment of farm labor market conditions; and (3) they are almost totally unqualified to carry out a technical operation, such as the drawing of a random sample, construction of a questionnaire, or interviewing of farm labor informants. It is clearly unrealistic to consider placing a technical expert in each of the State's 22 year-around and 53 seasonal farm labor offices. We propose, rather, the creation within the Division of Research and Statistics a corps of ten or twelve competent survey designers and interviewers who will have the full-time duty of studying farm labor needs, supply, wages, and so forth, as rigorously and dispassionately as possible.

G.

In our discussion of State adminsitrative agencies, we may mention, finally, the California Department of Public Health. As the result of labor unions' evidence which could not be ignored, this agency has lately begun to demonstrate interest in the fact that California's 400,000 or more hired farm laborers work under conditions almost totally devoid of the most rudimentary sanitary facilities. There is a good deal of talk about the introduction of farm sanitation bills in the 1961 legislature, and "do-it-yourself" programs in the meantime.

The Agricultural Workers Organizing Committee prepared a research paper on this subject early in September, 1959. We do not have space here to recapitulate the analysis set forth in that paper. Suffice it to say that we still feel as we did then: the disgraceful sanitary conditions in California's number one industry will not be solved by "self-help" projects; nor do they require special legislation for their solution. The problem could be largely solved in a matter of a few months -- if the State Department of Public Health saw fit to enforce seriously certain laws which are already on the statute books. These include Sections 3700, 28287, 28290, 28291, 28295, 28296, 28297, and 28298 of the State Health and Safety Code.

What is needed is, first, determination on the part of the Health Department that existing regulations will be enforced in agriculture, and, second, appropriation of sufficient funds for this purpose. We feel that the most useful single action the California Legislature could take toward cleaning up America's fruit and salad bowls would be the appropriation of additional funds for the Division of Environmental Sanitation of the State Department of Public Health, specifically for the purpose of field sanitation programs.

* * * * * * *

In such ways as these, the administration of existing laws and regulations may be influenced directly by the California legislature. In addition, we should like to mention briefly a way in which the State legislature may perhaps indirectly influence the administration of rules which affect agricultural workers. In January, 1957; the California Assembly and Senate passed concurrent resolutions criticizing the Secretary of Labor for issuing housing standards for Mexican Nationals. These were AR 61, introduced by Assemblyman Geddes (R., Clarement), January 25, 1957; and SR 42, introduced by Senator Murdy (R., Orange County), January 23, 1957. If the legislature of California can seek to influence Federal agencies in a negative and regressive way such as this, we see no reason why it cannot seek to use its influence in useful and progressive ways. We would consider it appropriate, for example, for the State legislature to commend the U.S. Department of Labor for whatever steps it may take toward bringing order into the farm labor market. We would consider it appropriate, for another example, for the legislature to call to the attention of the Secretary of Labor those respects in which his department was administering Public Law 78 laxly in this State -- and to suggest ways in which this law might be administered in closer conformity to its own provisions, and its supposed intent.

Some will say, as a grower witness before the State Senate Fact-Finding Commitee on Labor and Welfare recently said, that such matters are not a proper concern for the State government. The chairman of this committee advanced the shortest and best reply to this point of view: "...we (State legislators) do consider ourselves part of the United States..."

IV. Looking Forward: Construction

A. Minimum Wage

Among the many forms of social legislation from which agricultural laborers are presently excluded, probably none is more widely discussed than minimum wage legislation. The Federal Fair Labor Standards Act presently provides a $1.00 per hour minimum for industries engaged in interstate commerce -- with the exception of agriculture. A number of States have minimum wage laws applying to intrastate commerce, but only two of these State laws include agriculture. Hawaii provides a $1.00 per hour minimum; Alaska a $1.25 per hour minimum.

The California Industrial Welfare Commission is presently considering the issuance of an agricultural wage order which would set minimum acceptable standards for the employment of women and minors in agriculture, including not only minimum wage

provisions, but requirements concerning hours and working conditions. While we support such an action on principle (reserving judgment, of course, on the specific provisions which the wage order may contain), we must point out that women and minors never constituted as much as 20% of the State's hired farm labor force during the years such data were gathered by the Department of Employment, and we are certain this proportion has dwindled drastically in recent years under the impact of the foreign contract labor system.

The question, then, is whether something should be done to protect the earnings of the roughly 90% of the California farm labor force which is made up of males over the age of 18 -- and, if so, what this "something" should be.

We trust we have made it clear throughout this paper that we regard class legislation with the utmost distaste. Accordingly, we would lay down the following premises as basic to any discussion of a State minimum wage law: (a) what is needed is not a farm labor law, but a general labor law; (b) within the framework of such a general law, no industrial distinctions should be drawn. If the State's economy is sufficiently advanced to support, let us say, a minimum of $1.25 per hour for wage-earners, then it is unsound policy to permit restaurant owners, for example, special dispensation to pay $1.10 per hour, laundry owners to pay $1.00, and agricultural employers to pay $.90. In the long run, it is no favor to any industry to allow it to wallow in its own poverty. The State government cannot, of course, ensure by fiat that an industry will become strong and prosperous. By minimum wage legislation, however, the State government can prevent an industry such as agriculture from isolating itself from all that is going on elsewhere in the State's economy. The economy of California is -- or, at least, should be -- essentially indivisible. A minimum wage law is one way to realize this essential unity. The only businessmen who would be hurt by such a law -- and we speak now not only of growers, but restaurateurs, laundry owners, operators of automobile washing establishments, and everyone else -- would be marginal operators who are a drag on the general economy and would serve themselves and society-at-large better if they were engaged in some other sort of business.

By "marginal operator" we do not refer to the small, family-type farmer who is admittedly in serious straits under present conditions. We refer to the farmer in name only who has entered this particular industry because he thought he could make a quick "killing," and whose operation is built upon a cheap, captive labor supply. We know of many such instances in San Joaquin County, for example. Persons who knew next to nothing about growing tomatoes leased a few hundred acres of land, telephoned the local Association for Mexican Nationals to plant, cultivate, and pick tomatoes at wages fixed by the Association itself, and sat back to wait for the money to roll in. In most cases, the money did not roll in. Synthetic farmers do not know enough about their business to get optimum quantity or quality. And, even more clearly, such speculators have created conditions of grievous overproduction which has, of course, pulled down the prices which legitimate farmers receive.

The truth of the matter is, the family farmer, although he is sometimes called "marginal," actually stands poles apart from the marginal operator about whom we are speaking here. The truly marginal operator stays in business only because he receives what amounts to a subsidy of cheap, tractable foreign labor from the government. There is no doubt whatever in our minds that these types of marginal tomato growers have been paying their braceros piece rates which yielded an average hourly equivalent of not more than 60¢. If such growers were required to pay, say, $1.25 per hour, or a piece rate equivalent, their shortcomings as businessmen would no longer be supportable, and they would have to abandon the growing of tomatoes. To this development we would say: good riddance.

The bona fide farmer, on the other hand, stands to gain every bit as much from a minimum wage law as hired laborers themselves. His operation, rather than resting upon a cheap labor supply delivered by the State and Federal governments, rests upon the

labor which he himself, and the other members of family, perform. If his labor is devalued, his situation becomes precarious -- or, as the U.S. Department of Agriculture and Farm Bureau would have it -- "marginal." What determines the value of his labor? The most obvious answer, no doubt, is, "The price he receives for his product." Many observers, we fear, are unwilling or unable to push beyond this superficial reply. More penetrating follow-up questions should be asked. What determines the price he receives for his product? Preeminently, the prices which his larger competitors receive for theirs. What determines the price they receive for their commodities? First among many factors would appear to be the costs which go into the production of those commodities. What are those costs? The largest of them is the cost of hired labor.

There is no arguing away the inexorable logic of this analysis: the position of the working farmer and his family is dependent, above all else, upon the position of farm laborers who work for wages. If the working farmer is in unhappy straits today (and we do not doubt that he is), it is in the last analysis for the very same reasons that the hired farm worker is in unhappy straits. If rural representatives in the State of California are as concerned for the welfare of the family farmer as they claim to be, we can think of no better way they could serve this concern than through the enactment of a meaningful State minimum wage law.

We will withhold comment at this time upon the level at which a floor under wages might be constructed. We are content to observe that the higher the floor, the greater the benefit will be not only to California's Hired farm workers, but to California's legitimate farm operators.

B. Civil Rights

Agricultural employers who maintain their own labor camps are at the present time singled out as the only employers in the State of California who are entitled to discriminate against workers on the basis of race, national origin, and other irrelevancies.

Among the many curiosities which flourish in the contemporary farm labor market, we find this among the most curious. A brief historical review will help to explain our puzzlement. In April, 1957, Patrick Hillings, former Congressman from California's 25th District, conducted a series of hearings on the importation of Japanese Nationals to work in California agriculture under three year contracts.

The specific question at issue was, "Should the way be opened for importation beyond the ceiling of 1,000 Japanese Nationals already approved by the Immigration and Naturalization Service, and by the Department of Labor?" Congressman Hillings decided this question in the affirmative, but that is beside the point of the present discussion. Of particular interest here is the fact that Mr. Hillings asked grower after grower if there were any racial tensions in California agriculture which might be aggravated by the expanded importation of Japanese Nationals. Every grower witness denied categorically that there were any racial problems in California's farm labor force. The following interchanges are representative of things which were said at the Hillings Subcommittee hearing in Los Angeles, April 30, 1957.

> Mr. HILLINGS: Have you seen any evidence of racial prejudice or discrimination in connection with either the Mexican or Japanese program?
>
> Mr. MILLER (Manager, Agricultural Producers Labor Committee): No, sir. Absolutely none.

Mr. HILLINGS: Have you heard any grievances or complaints about the Japanese program?

Mr. MILLER: I want to assure you, Congressman, that I have tried diligently to find them. But I have found none.

* * * * * * * * *

Mr. MASAOKA (Washington, D.C., Representative, Japanese-American Citizens League). ... We are well aware that there used to be talk about the "yellow" menace," and so forth, but we Japanese-Americans know this is a thing of the past. We are watching the foreign labor program closely. If there had been any racial incidents, we would have heard about them. But there has been nothing whatever of that kind... We see this as a great program of international exchange. Thousands of American GI's have seen Japan in the past twelve years. Now visiting farmers from Japan are seeing the United States. This is one of the greatest programs of democracy in action I have ever heard of. It is a great bulwark against communism... Let us not discriminate against workers from Japan in favor of braceros from Mexico.

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Mr. HILLINGS: Would you identify yourself, please?

Mr. HEIL: I am Robert Heil, representing the Orange County Vegetable Growers Association, Santa Ana, California.

Mr. HILLINGS: What is that association?

Mr. HEIL: It is strictly a Mexican and Japanese contracting association. We serve members in Los Angeles, Riverside, and Orange Counties...

Mr. HILLINGS: Do you have any problems? How do your Japanese and Mexican workers get along together?

Mr. HEIL: We have no problems. At the present time, we have 125 Japanese workers. Some of them work in the same crews as Mexican Nationals. There is no conflict. We could use three times as many Japaneses without any trouble... This Japanese program has many advantages. It teaches the workers better methods of farming. It teaches them the American way of life... I object to the use of the term "captive labor gangs." These people came here voluntarily. They're free to move about when they're not working... They and the Mexican workers are of better moral quality than many of our own workers.

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Mr. HILLINGS: Have you encountered any racial problems, or other problems, in connection with this Japanese program?

Mr. HOVLEY (Manager, Oxnard Plains Labor Association). No, I have not. As a matter of fact, there is a feeling of comradeship, of sympathy, and friendliness within the program that is wonderful to behold. I mean, between the workers themselves, and between the workers and the growers.

* * * * * * * * *

Mr. HILLINGS: Has any race prejudice arisen in the use of Japanese labor?

Mr. HAYES (Chief, California Farm Placement Service). No, sir. To be very honest with you, we feared that there might be racial tension, because of things that happened back in history -- in the history of Japanese labor in California. But I am happy to say that our fears have proved to be completely unfounded. We don't know of a single instance in which there have been unhappy racial feelings.

Mr. HILLINGS: How do the Japanese get along with the Mexican braceros?

Mr. HAYES: Most of the foremen of the Japanese crews are of Mexican ancestry, and the foremen and their crews get along fine together.

Mr. HILLINGS: How about Filipinos? One might expect there would be hard feelings on the part of the local Filipinos toward the Japanese, in view of what happened during World War II.

Mr. HAYES: Apparently that is all a thing of the past. There is no trouble whatever.

Mr. HILLINGS: Do these foreign workers mingle with the community at all

Mr. HAYES: They're free men.

Mr. HILLINGS: I just want to say that I am impressed by the lack of racial tension we have here in California agriculture. We are a good example, I think, of what could be done elsewhere...

Other grower witnesses who appeared in the course of these hearings unanimously testified to the good will which was said to reign among men in California fields and orchards. Two years later, a different legislative body conducted hearings with quite a different purpose: to consider a Fair Employment Practices Act for California. At this time, spokesmen for California's agricultural employers directly contradicted the things they had said during the Hillings Subcommittee hearings. Grower witnesses testified, in effect, that the several ethnic groups employed in California agriculture were at one another's throats, and the only way to protect them from each other was to segregate them. Grower representatives asked for blanket exemption from fair employment practices legislation, and settled for exemption of all farm workers who are housed at the place of their employment.

This was an astonishingly cynical demonstration. The truth, of course, is that farm workers in this State are far too preoccupied trying to stay alive to expend their energy in interracial conflict. One is tempted to conclude that growers sought exclusion from the Fair Employemtn Praqtices Act merely to maintain their record of obtaining virtually every exclusion they have demanded of the State legislature. The stake involved had little to do with the "right" of growers to practice racial discrimination in hiring. The stake at issue was growers' "right" to continue to be regarded as different in kind from other employers of labor.

The California legislature should move swiftly and decisively to correct both of these two types of misapprehensions. Growers do <u>not</u> have the right to practice social discrimination in employment. And, even more basically, growers are <u>not</u> different **in kind** from other classes of employers.

The 1959 session of the California legislature considered another piece of legislation having to do with the civil rights of California workers -- including farm workers. A.B. 419 would have granted workers engaged in intrastate commerce essentially the same sorts of protections currently granted other workers by the Federal Labor-Management Relations Act. But with this difference: A.B. 419 did not exclude farm laborers; the Taft-Hartley Act does.

As every Californian interested in social legislation knows, A.B. 419 was killed in committee in the State Senate, with scarcely a good word said on its behalf. We of the Agricultural Workers Organizing Committee hold no brief for the various provisions of that particular piece of draft legislation. But we do insist on the right of individuals to associate and organize in their own interest. Every level of government should be deeply committed to the protection of this right. The State of California is not, we fear, so committed at the present time, at least insofar as this right applies to agricultural workers. Given a virtual vacuum within which to operate, local government has shown itself to be not only indifferent to the fundamental rights of farm laborers, but on occasion actively engaged in denying these rights.[1]

The legislature of the State of California should move to fill this vacuum -- and to fill it in the direction of strengthening rather than eroding civil rights. By the time the 1961 legislature convenes, we expect to be in a position to move beyond this general statement of principle to advocacy of specific legislation on this point.

We might say at this time, however, that we are not speaking of class legislation any more than we were in our discussion of a minimum wage. Farm laborers should enjoy the same rights -- no more, and no less -- as other laborers, and, indeed, all citizens, whether they are members of the laboring class or not. We are sympathetic, for example, to the intent of a draft bill introduced in the spring of 1959, by State Senator Montgomery. This bill would have removed certain restraints presently placed on independent agricultural producers who attempt to organize on their own behalf. We of the Agricultural Workers Organizing Committee have said repeatedly that we not only recognize the right of growers to band together for legitimate purposes -- we encourage their exercise of this right, as part of the necessary cure for the basic sickness of agriculture. But justice must be even-handed. Growers cannot reasonably expect the State of California to guarantee their right to organize, while failing to safeguard the right of farm workers to organize. We hope the legislature will shortly consolidate both of these rights, which are not, in fact, two rights, but one.

C. Federal Legislation

We have already discussed the possibilities for the State legislature to influence the activities of Federal executive agencies. The possibilities are even greater for the legislature of California to bring its collective will to the attention of the law-making branch of the Federal government. Following are some of the issues on which either or both houses of the legislature might well memorialize the U.S. Congress.

(1) Wage and Hour Legislation.

Some friends of farm labor feel that any Federal legislation covering agricultural labor is better than none, and are therefore prepared to support a Federal minimum wage of $.75 per hour for farm workers. It is our understanding that bills of this nature will be introduced during the present Congressional session. If the legislature of California sees fit to express itself on the issue of a Federal minimum wage for agriculture, we hope it will do so in terms of parity for farm workers. The minimum wage covering other industries was not watered down for the benefit of Southern textile operators, for example, who were paying only 50¢ an hour. We see no reason why an agricultural minimum wage should be watered down because Southern growers are doing the same thing.

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1. For copious documentation of this point, see Hearings Before a Subcommittee of the Committee on Education and Labor, U.S. Senate, 76th Congress, 2nd Session, pursuant to S.R. 266, Washington, D.C., 1940. See particularly volumes 50, 51, 54, 55, and 74.

(2) Housing.

On January 7, 1960, Assemblyman Gordon H. Winton (D-Merced) was quoted in the press as saying the key to the "solution of (the) farm worker shortage lies in housing." A number of proposals have been made to facilitate the construction of new farm labor housing. It is likely that bills will be introduced in the U.S. Congress this year to provide low-interest loans for this purpose, and to permit accelerated tax write-offs of these expenditures. While we appreciate the good intentions of those w o espouse such measures, and while we agree that farm labor housing generally leaves much to be desired, we fear we cannot agree that housing is the "key" to the farm labor problem.

Let us assume for a moment that American coal miners were paid $.70 to $1.00 per hour, lived in company towns, bought supplies at company stores, were discouraged by armed deputies from organizing, were excluded from child labor laws and other social legislation, and were forced to compete with indentured laborers from Poland and Bulgaria. If someone were to ask us, "How are we ever going to attract and retain domestic coal miners?", we would say, "Get rid of child labor, get rid of foreign contract labor, let the domestics organize and bargain for a living wage." If someone said, "What about the terrible housing?", we would say, "Do these other things, and the housing will take care of itself."

In other words, the goal to be sought is not more and better paternalism, as reflected, for example, in more and better farm labor camps. The goal to be sought is a labor force of free men, sufficiently well paid that they can provide their own "perquisites" -- housing, food, transportation -- as commuters to jobs in other industries do.

We will certainly not oppose any efforts to improve farm labor housing through the types of legislation mentioned above. But we hope that the attention of legislators and the general citizenry will not become diverted by these palliative measures from the more fundamental tasks which remain to be done.

(3) Social Security.

A grower-sponsored amendment to the Social Security Act in 1956 further restricted the restricted coverage of farm workers by the Act, which had been voted for the first time in 1955. The requirement that farm workers earn at least $150 from a single employer during a year, or work at least 20 days at hourly rates, for a single employer, eliminates many if not most seasonal agricultural laborers from coverage by this form of social legislation. We ask that the California legislature memorialize the U.S. Congress to extend full Social Security coverage to the persons in our society who need it most. We ask, also, that the legislature memorialize the Federal government to take action against two commonplace evasions of the Social Security Act: deductions by employers (usually farm labor contractors) which are never credited to the employee's account or returned to him; and agreements between employers, contractors, and/or farm workers, whereby OASI deductions are never made at all.

(4) Crew Leader Registration.

Laws were introduced in the 85th Congress which would have controlled the activities of farm labor crew leaders operating across State boundaries. We understand that these bills were directed particularly at contractors who haul domestic migrants from Florida up the Atlantic Seaboard and those who haul Texas farm workers through a fan-shaped area of the Middle West. Similar legislation will be introduced this year, and we imagine its chances of passage are relatively good.

We have no objection to the purposes of the legislation. We do not doubt that there are many rapacious and irresponsible farm labor contractors operating across State lines. These contractors should be curbed. But in this case, once again,

we hope that the friends of farm labor will not confuse this issue with the more important issues at stake. The overriding problem facing migratory farm workers is not crew leaders who cheat them of part of their wages, but a way of life which cheats them of part of their humanity. The substitution of honest crew leaders for dishonest crew leaders will leave untouched, for example, the fact that migrants only find work one day out of every three, and the fact that they have no roots in the soil of the larger society.

(5) Labor-Management Relations Legislation.

As we have said, agriculture is the only industry which is excluded from the Taft-Hartley Act, as it was the only industry excluded from the Wagner Act which preceded the Taft-Hartley Act. We know of no plans in Congress to remove this exclusion. This is not to say, however, that it would be inappropriate for the California legislature to memorialize Congress on the matter. If the States were required to wait silently for Congressional leadership on every issue, social progress in the United States would have been very much slower than it has been. In fact, the U.S. Constitution presupposes that leadership will in many instances come from State legislatures, since this is one of the two means provided for amendment of the Constitution.

(6) Child Labor.

Application of Federal child labor laws (part of the Fair Labor Standards Act) to agriculture should be tied to other farm labor reforms. To eliminate minors from agriculture, without at the same time improving wages and employment security, would work a grave hardship on many farm labor families, and would very likely accelerate the present exodus of domestics from the farm labor market.

We hope we are not misunderstood. We deplore the exploitation of children on the industrialized farms of California and the nation. But child labor reforms, like a number of other reforms we have already discussed, will by themselves solve nothing. Child labor reforms must be approached as part of an interdependent network of reforms which, taken together, will remold agriculture in ways long ago taken for granted in every other sector of the American economy.

(7) Foreign Contract Labor.

We are already clearly on the record regarding the bracero program and other alien contract labor systems.

(a) Public Law 78 should be expunged from the books;

(b) Immigration laws should be rewritten to prevent future repetitions of this economic disaster and moral disgrace;

(c) The McCarran-Walter Act should be rewritten to facilitate legitimate imigration;

(d) Congress should provide for a massive program of technical assistance to our immediate neighbor to the South. Braceros' earnings of approximately $50,000,000 per year have done virtually nothing to eliminate the desperate poverty of rural Mexico. A technical assistance program ten times as great would be a modest beginning.

We urge the California legislature to memorialize Congress on each of these four related points.

(8) The Farm Program.

In the political lexicon of today, "farm legislation" means only one thing: legislation to help the farmer, not the farm worker. Speaking by and large, we are

inclined to believe the major troubles of the country's farmers are attributable to the fact they have been overprotected rather than underprotected. If the U.S. Congress really wants to help farmers who need help, it can do no better than eliminate the factors, discussed above, which have devalued the small farmer's labor. The various subsidy programs, which have not been helping the small farmer anyway, would then be superfluous. We would, however, support school lunch programs, "food for peace," and other plans which have a useful social purposes beyond the mere placing of crutches under farm income.

D. Unemployment Insurance

We have reserved until last a form of social legislation about which we would like to comment in special detail. We propose to discuss unemployment insurance at some length because (1) the insecurity of farm workers' employment is perhaps an even more pronounced disability than their low wages while they are working; (2) more statistical evidence is available, bearing on the question of umemployment insurance for farm workers, than is available for perhaps any of the other forms of social legislation we have discussed; (3) whereas the legislature of California can only recommend in many of the areas we have reviewed, it has unchallenged authority over the provisions of the State's unemployment insurance program. We believe it is politically realistic to begin planning seriously now for the extension of unemployment insurance to farm workers at the next regular session of the California legislature.

California was the fifth State in the Union to pass an Unemployment Insurance Act, doing so in 1935, prior to the passage of the Federal Social Security Act which facilitated this type of social legislation by the States. However, there are some important respects in which California's present Unemployement Insurance Act is less "liberal" than such laws in other States. For example, 44 States have less stringent requirements than California as regards the minimum earnings which confer eligibility for unemployment insurance. (California's minimum: $600.)

Of even greater concern to us is the fact that California presently excludes several major classes of workers from this vital form of social legislation. In October, 1959, there were 855,500 civilian employees of various levels of government in California, including school districts. These employees were excluded from the unemployment insurance act. Perhaps 150,000 persons worked as domestics in private households at some time during the year. They were excluded from unemployment insurance coverage. An estimated 75,000 persons were employed by nonprofit institutions, such as churches. Such employees are exempted from unemployment insurance. And, of particular interest to the present discussion, more than half a million individuals worked for wages in California agriculture at one time or another during 1959. Farm employment is excluded from the State Unemployment Insurance Act's definition of "employment."

We should like to emphasize the fact that agriculture, alone among these major types of exemptions,[1] is an industry, which in common with all industries, operates for profit. Why, then, is the agricultural industry excluded? It would appear that the principal reasons for continued exclusion of farm laborers from the State Unemployment Insurance Act are some combination of the following: (1) Alleged administrative obstacles; (2) alleged actuarial obstacles; (3) the sheer weight of tradition. Let us examine each of these three explanations.

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1. Other, numerically smaller, exemptions include the following: business opportunity brokers and salesmen; student employees of schools and colleges; caddies; election campaign workers; race horse exercise boy; hospital interns; news vendors; cemetery brokers and salesmen; student nurses; real estate salesman and brokers; free-lance jockeys; college club and fraternity employees; and baseball players.

(1) The administrative problems entailed in the extension of unemployment insurance to farm workers are admittedly formidable. In the present disorganized state of the farm labor market, many agricultural employers have only the vaguest notion how many persons worked for them during a given period, who they were, where they came from, where they went, or how much they earned. Similarly, many agricultural workers have only the vaguest notion whom they worked for in a given season, or how much they earned. It will be necessary to create new systems of record-keeping, among both agricultural employers and employees, if an unemployment insurance system is to be successful. Before this can be done, it will be necessary to create respect for records as such. We of the Agricultural Workers Organizing Committee believe we can be of very great assistance to the government agencies concerned, in carrying out such programs of orientation among farm laborers.

Formidable as the administrative problems may be, we are certain they are not insoluble. For one thing, we would point to the lessons which the Mexican National program teaches. Although this program has had many deeply damaging effects, it has proved useful in one respect: it has demonstrated beyond cavil that agricultural employers can, if they wish, maintain adquate records of employees, hours, gross earnings, deductions, and other pertinent information. We would point, secondly, to a report prepared by the U.S. Bureau of Employment Security in 1951, even before the bracero program had conclusively demonstrated the feasibility of farm labor record-keeping. After reviewing in detail the many administrative problems of covering agriculture, Bureau of Employment Security analysts concluded that administrative procedures could be developed to meet each difficulty.[1]

It may come as a surprise to many persons to learn that an employer who falls within an excluded category is entitled to elective coverage if he wishes it. It may come as an additional surprise to many persons to learn that 688 commercial farms in California were covered by unemployment insurance on this basis, as of December 8, 1959. Of these, 499 had been covered sufficiently long to build up an experience rating. The contributions of these rated agricultural employers, in terms of percentage of taxable payroll, were as follows:

Table 2

Rate	Number of Employers
0.3%	51
0.4	13
0.5	9
0.6	10
0.7	14
0.8	43
0.9	37
1.0	44
1.3	22
1.5	17
1.8	22
2.0	10
2.3	17
2.5	20
2.7	120

SOURCE: California Department of Employment, "Unemployment Insurance Experience Rating Factors, Rate Year 1959," Sacramento, December 8, 1959, pp. 2-3.

1. U.S. Department of Labor, Bureau of Employment Security, Extension of Unemployment Insurance Coverage to Farm Labor, Washington, D.C., 1951.

The median contribution of these agricultural employers was 1.3% of taxable payroll, which, interestingly enough, was precisely the median contribution of all covered employers in the State in 1957.

Now, it may be assumed that the 688 commercial farms which have elected to participate in the unemployment insurance program are, for the most part, dairy, poultry, or other types of farms which typically offer much stabler employment than the average fruit or vegetable farm. Nonetheless, these 688 farms teach us a valuable lesson: there is nothing intrinsic to agriculture per se which precludes the creation of administrative methods suited to unemployment insurance coverage.

(2) The casual observer is perhaps prone to assume that most agricultural labor is inherently so highly seasonal as to make the entire concept of unemployment insurance inapplicable, on actuarial grounds. Let us examine this assumption with some care.

The truth is that California agriculture, taken as a whole, is less seasonal than a number of industries which have been covered by the State's Unemployment Insurance Act since its very inception. In 1959, the number of hired farm workers at the year's peak in September was 408,660: the number at the year's low point in March was 230,140. Expressed in terms of index numbers, based on the year's average, farm employment varied from a low of 72 to a high of 128. These index numbers may be compared, for example, with the following from other industries:

Table 3

Industry and Area	High Employment Index	Low Employment Index
Pine logging and sawmills, State	132	48
Sacramento Valley and adjacent mountains	128	65
San Joaquin Valley and adjacent mountains	139	69
Dried fruit packing, State	NA	NA
San Joaquin Valley	195	56
Central Coast area	154	51
San Francisco Bay area	240	74
Fish canning, State	NA	NA
Los Angeles area	125	40
San Diego area	134	23
Monterey area	253	39
San Francisco Bay area	350	49
Fruit & vegetable canning, State	141	49
Sacramento Valley	334	31
San Joaquin Valley	353	25
San Francisco Bay area	252	38
Central Coast area	282	41
Contract sorting, grading, and packing of citrus fruits	190	44
Contract sorting, grading, and packing of noncitrus fruits and vegetables	162	49
Street and highway construction	126	74
Wholesale trade: farm products	131	70
Trailer parks and camps	141	58

SOURCES: State figures: California Department of Employment, "California Employment and Payrolls," 1958 editions. Area figures: California Department of Employment, "Seasonal Workers in California," Bulletin No. 21, April, 1947, pp. 17a, 23a, 25a, and 29a.
NA: Not Available.

In the recent past, workers in highly seasonal industries such as these have received unemployment insurance benefit payments far above the State average. In 1957, for example, total benefits from the unemployment insurance fund averaged 1.3% of taxable payrolls in the State. This figure may be compared with the following figures from certain selected industries in that year.

Table 4

Industry	Benefit Payments as Percentage of Taxable Wages
Contract packing of fruits and vegetables, except citrus	8.3
Contract packing of citrus fruits	11.0
Fishing	6.8
Logging camps and logging contractors	10.2
Canning and preserving seafoods	6.8
Canning and preserving fruits and vegetables	11.2
Assemblers of fruits and vegetables, except citrus	9.5
Assemblers of citrus fruits	7.3

SOURCE: California Department of Employment, Reprot 352, #13. August 28, 1958.

These high benefit rates are not the aberrations of a single year or season. Table 5 (next page) reveals that certain industries tend consistently to draw far more from the State Unemployment Insurance Fund than they contribute to it.

We do not mean to suggest by these types of data that highly seasonal industries, such as garment making, sugar beet refining, and construction, should be removed from the Unemployment Insurance Act, or should be penalized in any other way. Quite the contrary. We have presented this type of evidence to illustrate a fundamental insurance principle: some carriers have different experience records from others, no matter what type of insurance is involved. The entire point of having insurance, particularly social insurance, is to spread risks and costs over as broad a base as possible in order that unusual experience records may be absorbed with relatively little hardship to any one group.

If this principle has been accepted with respect to industries as seasonal as those we have been discussing, we see no actuarial justification for the continued exclusion of agriculture.

To date, there has been only one serious effort to calculate the costs of extending unemployment insurance to California's agricultural workers. In October, 1952, the Division of Research and Statistics of the State Department of Employment completed a study based on the work histories and earnings of 5,909 California farm laborers. The Division estimated that if farm workers had been covered by the Unemployment Insurance Act at that time, they would have been eligible for benefits

totalling 15.23% of taxable agricultural wages. The Division estimated that by the year 1960, benefits payable to farm workers would have dropped below 12% of taxable wages, through "anticipated trends toward a better organized agricultural labor force and toward increased mechanization of agriculture."[1]

It is extremely important to note that at the time this study was made, California's Unemployment Insurance Act required only $300 in earnings during a "base period" in order for a claimant to gain eligibility. On this basis, 65.2% of the State's hired farm workers would have been eligible for unemployment insurance, assuming they were able to meet other requirements. Since 1953, however, the Act has been amended to require $600 in covered earnings, for eligibility. If this test had been applied at the time the Department of Employment conducted its study, only 50.5% of the State's farm workers would have been eligible.

The Agricultural Workers Organizing Committee has prepared several analyses which suggest that, for most seasonal farm workers, wages have not increased appreciably during the past eight years. It appears, then, that only about half of the State's agricultural laborers would be covered by unemployment insurance even if the Act were extended to them in its present form.

The question remains, of course, "How much will it cost, and who will pay?" Farm wages in California currently total about $440,000,000 per year. Assuming that, at the outset, the Department of Employment's estimates of several years ago still hold good, theoretical unemployment insurance benefits for farm laborers would approximate $63,000,000 a year. The experience of other industries demonstrates that only a minority of workers technically eligible for unemployment insurance benefits actually file claims for such benefits. For example, a Department of Employment survey of canning, dried fruit packing, and lumbering industries found only 26% to 33% of the male employees entitled to unemployment insurance payments during the preceding year had drawn any benefits. These are industries which have been covered for many years; employees are presumable relatively familiar with the benefits to which they are entitled. Agricultural workers, being unfamiliar with the niceties of unemployment insurance and other social legislation, might reasonably be expected to avail themselves of their benefits even less frequently. But, in order to place our estimates on the conservative side, let us assume that 50% of the payable benefits under unemployment insurance program for agriculture were actually paid. The total cost, given the other conditions we have already outlined, would be approximately $27,000,000, or 6% of taxable farm wages. This percentage is less than that already experienced by other seasonal industries in the State.

Broadly speaking, there are two ways in which the bill could be paid. It might be paid as the bill for the canning industry, for example, is now being paid: through what amounts to a subsidy from less seasonal industries. Under the present legal ceiling of 3.0% of taxable payroll, agriculture would pay between one-third and one-half the cost of providing its employees with unemployment insurance. There are several ways in which the remainder could be raised without impairing the solvency of the unemployment insurance fund. For example, if the taxable wage base were raised from $3,600 to, say, $4,000, this alone would increase the revenue of the unemployment insurance fund by more than enough to cover the increased costs of agricultural coverage. Alternatively, it would be possible to revise the experience rating system, which at present permits employers with particularly favorable employment experiences to pay as little as 0.3% of payroll into the fund.

The second principal approach to financing would be for agricultural employers and employees to support the farm labor program by themselves. We see certain theoretical advantages to such a procedure. If California growers were required to pay 6% of payroll for the privilege of maintaining a chaotic labor

1. California Department of Employment, A Sourcebook on Unemployment Insurance in California. Sacramento, September 28, 1953, p. 84. The Department of Employment has issued subsequent estimates of the costs of agricultural coverage, but all have been based on the original data gathered in the 1952 study.

Table 5

Financial Experience of Rated Employer Accounts Active on June 30, 1958
with Negative Balance of $100,000 or More as of
June 30, 1958, by Industry

Industry Title	Num. of Accts.	Deficit reserve 6-30-57	Deficit reserve 6-30-58	Contributions 7-1-57 to 6-30-58	Charges 7-1-57- 6-30-58	Taxable wages 1957	Def. reserve 6-3-58 as % of '57 Txble wages
Total, all negative reserve accounts	20,081	$154,850,119	$189,091,782	$14,227,247	$48,468,969	$595,002,582	31.8%
Total, selected large accounts	259	118,396,458	133,589,833	4,967,662	20,161,155	189,789,857	70.4
Agricultural services	3	418,636	475,815	6,946	64,126	348,044	136.7
Heavy construction (except highway and marine construction)	5	839,833	1,032,180	105,400	297,751	5,050,817	20.4
Canning; preserving fruits, vegetables, and sea food	89	79,842,721	91,140,836	3,214,491	14,512,644	119,738,287	76.1
Sugar refining (beet)	4	4,135,828	4,656,068	337,755	857,998	12,006,814	38.8
Women's and misses' outerwear	10	2,230,736	2,688,453	111,300	569,019	4,896,882	54.9
Sawmills and planning mills	10	2,520,423	3,025,779	231,816	737,180	9,087,724	33.3
Assemblers of farm products (including fruits and vegetalbes)	99	19,124,224	20,420,711	374,223	1,670,751	14,784,327	138.1
All others	39	9,284,007	10,149,941	585,731	1,451,686	23,876,962	42.5

SOURCE: California Department of Employment, Report 285, #21, January 14, 1960.

market, we believe they would show a quickened interest in stabilizing the employment which they offer. They would diversify their crops, stagger their plantings, develop strains with longer harvest periods, work out intrastate " annual worker plans," and do a number of other sensible things which farm worker representatives have been advocating for many years. Such steps could well reduce agricultural employers' contributions to a self-supporting unemployment insurance fund to levels comparable to those of other major industries.

At the same time, we see significant theoretical disadvantages to setting up a distinct unemployment insurance plan for farm workers. As we have said elsewhere in this paper, we believe the goal to be sought is the elimination of arbitrary and hurtful distinctions between agriculture and other industries. A "do-it-yourself" unemployment insurance program for agriculture would serve to perpetuate the impression that farm employment is somehow different from any other type of employment, and for this reason, if for no other, we favor a simple extension of the present "pool" arrangement to agriculture.

We have discussed both the alleged administrative obstacles and alleged fiscal obstacles to coverage of farm workers by unemployment insurance. Neither of these difficulties is nearly so formidable as the farm lobby would like us to believe. The only remaining argument for continued exclusion of farm labor is that "it has always been done." Conservatives will no doubt rely heavily upon the dead hand of tradition in their attempts to prevent significant amendment of the Unemployment Insurance Act during the 1961 legislative session. We trust that this sort of argument, which is really no argument at all, will crumble under the weight of sociological and economic evidence, and under the weight of the collective conscience of the people of California.

V. Summary and Conclusions

Farm labor, it is often said, is a complex matter. We have attempted to deal with some of these complexities in the present paper, but do not pretend to have taken up every issue in the field, or traced every argument on those issues we have taken up. If the legislature of the State of California waits until it has perfect understanding of the farm labor situation before it acts, it will never act at all.

We should like to suggest that the farm labor problem, while admittedly complex from one point of view, is, from an equally valid point of view, very simple. The entire problem may be reduced to a single thread, which runs throughout all that we have said in this testimony. This thread may be summarized in the following way: it should be public policy, in California and in the nation, to bring an end, as expeditiously as possible, to double standards in the structure of our economy. There is no place in the United States of America for a caste system; there is no place for second-class citizenship; no place for unequal protection of the law; no place for the disinheritance of any group. But each of these conditions may be found in the industry of agriculture. Farm laborers do not enjoy equality under the law; they are, in effect, an untouchable caste; they labor under a set of standards which are different from, and inferior to, those under which other industrial workers labor; they are among the disinherited of our society -- stripped of the heritage of material blessings and larger values, which our society confers generally upon its communicants. By larger values, we mean such things as the assumption that a man shall enjoy effective control over his own destiny, and the assumption that a man is fully worthy of esteem and honor unless his individual actions conclusively demonstrate otherwise. Farm laborers have been robbed of dignity and respect, not because of anything they have or have not done, but because of their employment in an occupation which society-at-large has "exempted" from the standards which confer dignity and respect.

Government cannot guarantee that a man shall respect another man, or that a man shall respect himself. But government can influence the conditions which in turn influence the relationships between men. Government can ameliorate situations which systematically destroy human dignity. Government can help to build situations which are conducive to the flowering of a sense of human worth. We should say these sorts of activities are not only a proper function of government -- they are the most important function of government. When the members of a society esteem one another and themselves, that society endures; otherwise, it fails.

Early in our discussion, we conceded that, in some respects, the lot of the average farm laborer in California is happier than that of the average farm laborer in certain other parts of the country. But that is beside the point. When we say there should be a single standard for workers in our society, we mean that that standard should be the best of which America is capable, not the worst, and not some compromise between the best and the worst.

We therefore reject the attitude that we Californians can afford to be complacent because our State has a labor camp code while others do not; because our State has transportation regulations which others do not; or because our State has compulsory workmen's compensation legislation which some others cannot match.

There is much that California still might do to reduce the inequities under which its farm workers live and labor. We regard these uncompleted tasks, not as vexations, but as opportunities for constructive accomplishment. Opportunities lie before us to bring justice to 400,000 of our wage-earners for whom justice has not yet fully matured. This in itself will be an accomplishment of a lofty order. But, even beyond the good we may do for our own citizenry, is the good we may do at least indirectly, for the disinherited beyond our State borders.

The Senate and Assembly of California, working with other bodies, public and private, may raise a standard which will prove to all who have eyes to see that agriculture need not continue to remain outside the mainstream of America's economic, social, and moral order. The importance of this truth to our State and to our country as a whole cannot be exaggerated. The demonstration of this truth is as noble as any service which lies within the power of the legislature of California to perform.

AWOC Research Paper #15
HPA:MLR
January 23, 1960.

D. R. ROGERS

STATEMENT

OF

DON R. ROGERS
Route 1, Box 367
Winton, California

STATEMENT

I should state first that I operate a small, well diversified farming operation. During the past year I farmed a forty acre fruit ranch, which I own. I am also in partnership with my father on a twenty acre dairy setup. In conjunction with this, we lease sixty-five acres of alfalfa, hiring no outside help. I am giving this information simply as background so you may better understand my particular operation.

My testimony will deal cheifly with the critical period during the harvest of freestone Elberta peaches, although I also raise almonds, and grapes. During this time I require outside help for a short period of time. My peach acreage consists of three acres of regular Elbertas, twenty-five years of age, one acre eight years of age, two acres four years of age and five acres three years old of Fay Elbertas.

I would like to submit a statement of all the costs involved in producing a crop of peaches on one average acre of mature trees. This sheet will have three totals. One, my time and labor, which I personally put in, and which I will figure at one dollar per hour. Two, the machine work required: cultivating, spraying, etc., this I will figure at a rate as if hired done. However, I do all the cultivating and spraying myself. The third total will be actual cash outlay on pruning, insecticides, fertilizer, harvesting labor and all others.

STATEMENT OF COSTS

	Personal labor	Machine work	Actual cash outlay
I. Spray materials			
A. Fall copper spray			
1. Copper - $40.50 per hundred 20 pounds to an acre in 400 gallons of water			8.10
2. Sticker Oil $.42 a gallon 3 gallons per acre		6.00	1.26
B. Dormant Scale Spray			
1. Parathian - ½ gallon at $10.00 per gallon			5.00
2. Dormant Oil - 12 gallons $.33½ per gallon		6.00	4.02
C. Twig Bare and Brown Rot Spray			
1. Trithian - 1qt at $24.00 per gallon			6.00
2. Sulphur - 20 pounds at $5.75 per hundred			1.15
3. Zinc - 24 pounds at $.30 per pound		6.00	7.20
D. Late Summer Worm Spray			
1. Parathian ½ gallon at $10.00 per gal.		6.00	5.00
(This is a bare minimum spray program)			
II. Fertilizer			
A. Nitrogen - 160 units - 2 applications		1.00	19.20
III. Pruning			50.00
A. Brush removal	10.00		
IV. Thining			15.00
V. Irrigation $.15 an hour for power five irrigations at 8 hours each	40.00		6.00
VI Cultivating - 8 hours at $2.00 an hour		16.00	
VII. Taxes			
A. Irrigation taxes - an acre			.69
B. Ranch taxes			12.00
VIII. Harvesting cost $18.75 per ton	55.00		247.10
Total costs	105.00	41.00	387.72

(Machine hire spraying - 1½ cents per gallon)
These costs do not include depreciation (approx $40.00), ladders, buckets, drinking containers, gasoline or haul-out equipment, etc)

TOTAL INCOME

I.	Cannery peaches $45.00 per ton 9.03 tons of peaches per acre	406.35
II.	Cannery culls - 1.32 tons at $20.00	26.40
III.	Green Pack - 1.49 tons at $54.54	83.28
IV.	Green Pack Culls - 1.27 tons at $10.00	12.70
		528.73
Total Expenses		533.72
Total Income		528.73
Net loss		4.99

I should explain at this point that twenty-five year old peach trees are past their peak in production. During this past year I estimate that I lost between 8 and 10 tons of fruit on the ground because I was unable to get it picked due to the lack of adequate help. That sounds like a great amount, but it only means 4 to 5 boxes per tree. I am sure some of you saw that much or more on your tours during the harvest crisis. Regular Elberta peaches are a very perishable commodity. Yesterday they were green, today they are ripe and tomorrow they will be on the ground.

This past season the fruit was small in size and more difficult than usual to pick. The local work force was far too small to handle the job and those available spent much of their time hunting for better fruit to pick or just aimlessly wandering from job to job. Consequently they picked far less than was their potential, if they really wanted to work. I had several pickers pick at the rate of ten boxes per hour or better, but after a day or so they went elsewhere. The situation was the same for all growers in my district.

I have ten cards in my possession from the local labor office representing a total of 32 pickers. A typical case: two workers, representing seven workers, brought their cards out to my ranch in the afternoon. I offered employment, they accepted and said they would return to go to work in the morning. These workers never looked at the orchard and never reported to work.

I offered work to all people sent from the employment office with the exception of two, who I have strong reason to believe were troublemakers. Of those hired, only two remained until the completion of harvest. One day I had a total of 19 different pickers and two

straw bosses, the following day only one picker and two bosses. Harvesting peaches under these conditions is almost impossible. Ten good pickers could more than handle my harvest. During the past season I had more than 45 different pickers. The local farm placement office cannot guarantee a given number of workers for any one day, which the proper harvest of regular Elberta peaches demands.

This problem has become so serious that I am in the process of grafting my four year old peach trees to almonds and as soon as this year's crop is off I am going to pull the rest of my regular Elberta peach trees and plant that ground to almonds also. I can also interplant my grapes with almonds and in a short time convert a diversified ranch to strictly almonds. In this way I can economically afford mechanical harvesting equipment and do most of the work myself doing away with unreliable labor.

I feel that I am typical of the small growers in my area. I know several other growers who are contemplating a change to some other type of farming operation which does not demand a seasonal peak labor supply. The monetary investment is too great in peaches to gamble it on the unreliable labor supply in our area during the harvest period.

The Bracero Program has been a boon to the small grower even though he does not use them. If the large growers were unable to get Nationals they would immediately absorb the local labor supply and we small growers would be lucky to see a picker.

I feel that it is a shame for the small peach grower to be forced out of business because of the lack of adequate harvesting personnel for only a few days. I sincerely hope that this Committee can come up with some good workable solution.

Don R. Rogers
DON R. ROGERS
Route 1, Box 367
Winton, California

SUBSCRIBED AND SWORN TO BEFORE ME

this 26 th day of January 1960
at Atwater, California

Carol B. Galleron
Notary Public in and for the
County of Merced

My name is HENRY J. SANSONI, farmer from the Merced Area. My farming activities consist mostly of tomatoes and peppers.

This testimony that I am about to make is based on facts and figures concerning the season of the year 1958--all facts and figures are computed definitely with a conservative attitude. I chose the 1958 season due to the fact that I made an extraordinary effort to harvest my market tomatoes without employihg any Braceros at all.

1. To begin with, my story begins in the fall of the 1957 season, which was the season that the tomato business for me began to definitely show a deteriorating condition. Upon analyzing my predicament, I came to the conclusion that the troubles were due, in part, to #1 Too high land rent, #2, possibly the Bracero program during the fresh market harvest, and #3, mainly a poor demand for the product of which I didn't have control. I thought the Bracero program was to blame in part, mainly due to the minimum work contract which guaranteed the Bracero a certain given amount of work hours in a given period. This requirement, I noticed, caused us to be picking tomatoes at times that the sale price was barely sufficient to take care of the harvesting cost, therefore, we were in a sense of the word donating that portion of our crop to the worker. I say to the worker and not to the Bracero because whenever I put the Braceros to work, I had just as many if not more domestics working with them.

2. Basing my future plans on these opinions, I set out to correct them for the Season of 1958. First, I thought, I would have to move my tomato operation to a location where there is an abundance of land available for rent, in order to lease land at a cheaper rate, and at the same time, an area where the tomato crop is not so predominant as in the Merced vicinity.

3. To do this, I picked out 132 acres in the Los Banos vicinity right in the midst of cotton and sugar beet farms. I made this choice thinking that by the time my tomatoes were ready for the fresh market harvest, the stoop-labor demand would be at a declining point in this locality, therefore I would be able to have ample domestic workers that were in the immediate vicinity.

4. This move, I am sorry to say, was a drastic and catastrophic experience on my part. I wish to this day that it would have been successful, because, as a farmer, I dislike all of the legalistic reporting forms which are mandatory with the Bracero Program.

5. In 1958 I farmed 132 acres of tomatoes in Los Banos, plus 15 acres at the home ranch, and 35 acres of peppers at the home place in Merced, a total of 182 acres. My production was slightly above average. In order to harvest the peppers and only the fresh market tomatoes, I show on my payroll in excess of 211 domestic workers throughout the Tomato green pick season and pepper harvest. I say excess of 211 workers because I took this figure from my check duplicates, of which a great many of the checks covered the pay of more than one worker, such as father and son, several brothers, or sometimes the head of a family of several workers. In addition to these workers I finally had to get 28 Braceros to finish the job. This I did in desperation and standing face to face with a disaster.

6. This operation could have been very easily handled with a steady crew of at the very most 65 workers. There is no doubt, I am sure, of the extra managorial help I required to hire and train this number of workers. As near as I can figure out, the additional field managers I required to make such an experiment cost me an additional

$3,000.00, let alone the lack of efficiency, which is natural with any job while a worker is being trained.

7. It has been charged on previous hearings (as I read in newspaper accounts) that the farmer does not give a feeling of individuality and seniority to the worker, and therefore that is one of the reasons that the domestic worker doesn't stay in the fields. Well, that year I offered .10¢ per hour bonus to those that remained to the end of the fresh market season, I gave car expenses to those that drive their autos, and I offered (at no expense to the worker) bus transportation if they didn't want to drive their own autos.

8. In short, I tried everything humanly possible to make farming a success in 1958 (without employing Braceros until finally being forced to hire a few), but instead it was a complete failure. I know because I lost in outright cash, not considering depreciation of equipment, etc., an amount that ran into large figures. Should the committee want proof of these facts,I will be more than happy to supply the committee with such information, on the condition that it would be confidential information for the committee only and not for publication.

C. HAGGERTY

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Before the

SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE

CALIFORNIA LEGISLATURE

FRESNO, CALIFORNIA

In regard to

FARM LABOR PROBLEMS

STATEMENT

Submitted by

CALIFORNIA LABOR FEDERATION AFL-CIO

C. J. HAGGERTY, Secretary-Treasurer

JANUARY 26-28, 1960

The California Labor Federation, AFL-CIO, representing 1,250,000 members in all urban and rural areas of the state, is gratified by the serious concern demonstrated by the members of this Committee over the conditions of our agricultural workers. We deeply appreciate the opportunity to testify before you since we regard these problems as the most flagrant inequities affecting a major group of workers in the state.

The most accurate expression of the indignation felt by our entire membership over these conditions, as well as the priority we attach to legislative and administrative reforms in this area, is reflected by the Federation's statement of policy on agricultural labor. This policy statement was adopted unanimously at our second convention on August 10-14, 1959 in San Diego by 2,000 delegates elected by the rank-and-file of our local unions and central bodies. The sections of that policy statement relevant to this hearing are as follows:

"(a) <u>The scandalous condition of agricultural labor demands ... the lifting of the agricultural exemptions which have excluded these workers from virtually all the protections of federal and state socio-economic legislation enacted during the past 25 years</u>.

"The cruel exploitation of two million agricultural workers who plant and harvest the crops which form the basis of the largest and most indispensable industry of both our state and nation is utterly without parallel in any other portion of our economy.

"The great wealth of California's corporation farms is built upon the incomparable poverty of the agricultural workers' families. Although most industries offering seasonal employment provide premium wages in order to maintain their labor force, earnings in California agriculture at times fall below 30 cents an hour while conditions of work are almost beyond belief. Beyond this, scandalous housing

conditions and the lack of minimal educational, recreational, religious and other community facilities more often than not are the lot of these families.

"Farm workers are exempted from coverage of virtually all socio-economic measures enacted during the past twenty-five years, such as the minimum wage and unemployment compensation laws. They are excluded from protection by the labor laws which facilitated union organization in many industries once similarly depressed.

"These 'agricultural exemptions' are inserted in virtually every piece of legislation which could be of benefit to farm workers in such a free and easy manner as to suggest that corporation farms, a number of which are big enough to be listed on the New York Stock Exchange, are somehow different from corporate industry and are entitled to exploit their workers in a manner reminiscent of the nineteenth century.

"Organized labor, together with religious and other social action groups, has for years sought to alleviate the wretched conditions in agriculture. Due to these agricultural exemptions, however, no real inroads have been made into the problem.

"The moral, economic and social considerations involved are such that this nation (and state) can no longer defer action and must move quickly towards granting farm workers the dignity and equality under the law long enjoyed by practically all other Americans. The place to start is with the elimination of all the exemptions that have condemned farm workers to a position of second-class citizenship.

"Equally important is the need for imposing rigid curbs on the importation of foreign workers under conditions which have enabled the growers to drive domestic workers out of the industry by depressing wages to impossible levels (see section (b) of this statement).

"Because of the disorganized nature of the labor market in which migrant and other farm workers are employed, organized labor realizes that there is no simple solution to the entire agricultural labor problem. The many facets of the problem can be effectively dealt with only by an intensive approach, coordinated at all levels of government activity with labor, community groups, and cooperative farmers.

"A major objective should be to 'smooth out' the present haphazard work schedules and wages by developing a system of itinerary planning and registration. Such an obligation already rests with the U. S. Department of Labor under the Wagner-Peyser Act. This should be coupled with special programs put into operation to assure migrants essential community facilities. The Governor and his Department of Employment should see to it that at least as much energy is expended on rational development of the domestic farm labor force as is now expended in planning the utilization of foreign labor. We are pleased to note the action already taken by the Governor through the Department of Employment and the state's Attorney General to correct the abuses in the Mexican National program which have prevailed over the years with virtually no action being taken on the state level. The California Labor Federation takes this occasion to commend these bold actions in the face of the hostility of corporate farm interests who have controlled the importation program to date...

"The situation is such that it caused the Eisenhower Administration's Secretary of Labor to say recently: "The migratory farm worker will never take his place as a fully useful citizen, and never be able to successfully resist exploitation until, first, federal legislation guarantees him a decent minimum wage upon which he can build a decent and independent life; second, unless he has fairly continuous employment; third, until he receives the equal protection of all federal

and state laws.'

"In spite of the admission of the urgency of these problems by just about everyone other than those who directly profit from this human misery, the state legislature saw fit to approve only a few limited measures which had the blessings of the corporate farm interests. Beyond this action, the legislature rejected every effort to improve the plight of agricultural workers that in any way ran contrary to the interests of the corporate farmer as represented by the Farm Bureau Federation and the notoriously anti-labor Associated Farmers. At that, the legislature's puny contribution to progress appears almost impressive compared to anything that has as yet been enacted by the current session of Congress.

"Aside from some of the remedial actions already suggested, organized labor underscores the importance of federal and state action along the following lines:

"1. Extension to all farm workers of the right to join unions of their own choice and machinery for acquiring collective bargaining representation.

"2. Extension of the minimum wage, unemployment compensation, and other socio-economic legislation to agricultural workers.

"3. Provision of adequate housing, education and community facilities.

"4. Provision of toilet and hand-washing facilities for field workers, now generally not available,... endangering the health of the farm worker and possibly of the ultimate consumer as well.

"(b) Organized labor will intensify its opposition to the importation of foreign labor under conditions assuring growers an unlimited labor supply with which to depresss wages and working conditions to such a point that domestic farm workers find it impossible to stay in

the industry.

"Public Law 78 was enacted as a wartime measure due to a genuine shortage of farm labor. Its extension beyond the war was a privilege conferred upon the growers, a privilege which has been so sorely abused that few parallels for such abuse can be found in our entire history.

"This law provides that temporarily imported workers can be used only where there is an actual shortage of labor, that they must be paid 'prevailing wages', that their employment must not adversely affect the wages and working conditions of domestic agricultural workers, and that in any event domestic workers have prior rights to employment. These intended protections have been so completely igmored by both farm associations and the government that the program has served the growers as though it had been written to their detailed specifications.

"Under this law, the 'prevailing wage' for the entire year is often set on the basis of a survey of wages being paid long before the peak harvest season. During such slack periods, growers can essily obtain desperate farm workers at wages so low that in some instances the grower finds it more profitable to use hand labor than his machinery. Having succeeded in establishing the official 'prevailing wage' at a level utterly unacceptable to most farm workers, they have set the stage for a governmental pronouncement that a shortage of domestic labor exists and justifies the entry of imported workers.

"For government agencies charged with safeguarding domestic workers' conditions to use such artificial circumstances as the basis for depressing wages, working conditions, domestic employment and small business in our rural communities is the grossest miscarriage of justice. Indeed, such a procedure is precisely opposite to the pattern

in all other industries where the terms of employment are determined when activity is highest and the relative supply of labor is shortest.

"Although farm wages never were even close to being adequate, part of the destructive effect of this program can be seen from the fact that the ratio of wages received by hourly paid farm workers has fallen fron 54% of those paid to factory workers in 1948 to about 46% recently. The irony of this can perhaps be best understood when it is borne in mind that this deterioration took place at a time when severe shortages of labor were claimed to have existed. This is perhaps the only instance in the world's history when a shortage of labor has defied all economic laws by precipitating drastic cuts in wages and working conditions

"It must be made clear that organized labor has no objection to the importation of workers for agricultural labor if there is a real shortage of labor, and if adequate protections for both domestic and foreign workers exist. It does object, however, to methods which have given growers a blank check as to what they will pay and the number of workers they will import. It strenuously opposes a program whereby workers brought into the country, usually on six-week contracts, can be dispatched back to Mexico at the slightest whim of the grower. Impoverished workers, employed with a constant threat of arbitrary deportation hanging over their heads, are in no position to exercise their 'rights' to file a complaint if they have a grievance, let alone to start any union activity.

"Congress has been completely indifferent to extensive documentation of widespread and flagrant violation of the letter and the spirit of Public Law 78, ranging from serious short-changing of the bracero's pay envelopes to food and housing unfit for humans for which they are charged exorbitant amounts. One partial solution, that of

providing more funds to enforce the program, has been repeatedly rejected by Congress, so that today, with a half million Mexican Nationals entering the country annually, the compliance staff is even smaller than at the very beginning of the program. This callous attitude towards our solemn pledge of enforcing labor contracts is an open mockery of our own agricultural workers and of the Republic of Mexico as well. It has hardly enhanced the prestige of the American people with Latin America.

"Small towns in many of our rural areas have also suffered severely by the destruction of purchasing power of the migrants and local farm workers who have been displaced by imported labor housed and fed in labor camps from which growers themselves often extract additional and substantial profits. The AFL-CIO Agricultural Workers' Organizing Committee's director has reported that the displaced domestic workers have become a reservoir of cheap labor for use in industry and agriculture under conditions designed to break down trade union standards. He points to examples of auto parts manufacturing concerns and textile plants moving into valley areas to exploit this situation...

"Another extremely important consequence has been the vastly increased ability of the corporation farms to squeeze out family farmers whose livelihood depends primarily upon the value of their families' labor. The cheap labor utilized by the large-scale farm becomes, in effect, the ceiling on the earnings of the small farmer. It is pertinent to note that many hundreds of thousands of family farmers agree with this analysis of their competitive predicament. The continuing wholesale elimination of family farmers due to this type of pressure has forced them onto an already saturated urban job market, thereby aggravating the nation's unemployment problem

and serving as a brake upon labor's collective bargaining gains.

"Other corrective legislative and administrative measures which are badly needed include:

"1. Establishment of the right of representatives of labor to participate fully in the making of governmental decisions regarding 'availability of domestic workers' and 'prevailing wages', a right which has been enjoyed exclusively by the growers throughout the history of the importation programs.

"2. Free access of the public to all information concerning the bracero program, a program which is a public function and radically affects the interests of domestic farm workers, family farmers, and local business.

"3. Creation of a tri-partite commission representing farmers, labor and government to receive, investigate and prepare recommendations upon reports of adverse effects on wages and working conditions resulting from the abuse of the importation programs.

"4. Intensive investigation of all foreign contract programs as to their effect on wages, working conditions, and displacement of domestic workers.

"5. Establishment of the right of a crew of domestic workers to gain employment as a body on a ranch where braceros are employed.

"6. An end to the importation of other alien workers under provisions of the McCarran-Walter Act which deny these workers even the minimal protections extended Mexican Nationals under Public Law 78.

"7. Extension to domestic workers of all the contract guarantees given Mexican Nationals, such as the minimum number of hours to be worked each week.

"8. Adequate enforcement machinery and personnel to guard against violations of the rights of both domestic and imported farm workers."

Many of the proposals referred to in the Federation's statement of policy have to do with programs which could be initiated by action of the State Legislature.

The record of these hearings already contain abundant testimony as to various types of inequities suffered by California's agricultural workers. It is therefore not our intention to burden the Committee with the time-consuming details of the many additional cases which could be cited in support of corrective legislation. Instead, we propose to discuss some of the matters which have proven to be the most important roadblocks to such legislation.

Industrial Welfare Commission Hearings

Since the Industrial Welfare Commission last year carried out extensive hearings on farm labor matters, it does seem desirable to draw the Committee's attention to the record of those hearings and to mention only a few of the hundreds of instances of injustice that were reported by agricultural workers.

It was pointed out to the Commission that aside from the great disparity in wage levels, agricultural workers are also denied the many other benefits enjoyed by virtually all other workers. These include vacations with pay, health and accident policies, pension plans, unemployment compensation, holidays with pay, life insurance coverage, and premium pay for overtime or holiday work. They are often ineligible for state and local public assistance benefits due to residence requirements. Legislative protections and machinery implementing the right to join a union for the purpose of collective bargaining is also completely denied to this group.

The IWC was told of the commonplace hiring out of children as young as 7 years of age due to the family's low hourly and annual earnings. Mere infants were reported left in the care of only

slightly older children or left unsupervised near heavy and dangerous machinery while their mothers labored in the fields. Youngsters were withdrawn from school because they did not have shoes to wear.

Various farm workers told the Commission of their experience with farm labor housing unfit for animals. There was extensive testimony as to the lack of drinking water, toilet and hand-washing facilities in the fields. Others related dishonest weighing or measuring of production on piece work operations. The Commission also learned of workers waiting long and unpaid hours between deliveries of produce or because of mechanical breakdown.

The Industrial Welfare Commission did receive a few glowing reports from growers as to the wages earned in their operations. Perhaps the most pretentious of these came from a fig grower who proudly related that several of his top families averaged about $267.00 a week for five weeks during the harvest season. Upon closer examination of this testimony, it was found that there was an average of 8½ workers in these families who worked about fifteen hours daily during 5½ days of each week. The average wage involved in this outstanding example of farm labor prosperity turned out to be about 40¢ an hour.

"Availability" of Domestic Farm Workers

Much has been heard from grower spokesmen as to the "unavailability" of unemployed workers, many of whom have experience in agriculture, for farm employment. Under existing conditions, it is undoubtedly true that many of them are in fact unavailable. But this "unavailability" must be viewed in its true perspective.

There are millions of workers, employed or unemployed, who are available for work in industries such as steel, construction, and the like. But what would happen to their availability to these industries if the federal and state governments adopted policies permitting

importation of hundreds of thousands of workers from low-wage areas of the world for employment in these fields under conditions whereby such workers enjoyed none of the privileges and opportunities open to the usual immigrant?

What would happen to the availability of the half-million workers now employed in the steel industry if such an influx robbed them of their bargaining power and destroyed their wage levels, fringe benefits, working conditions and job security? How many of the nation's steel workers would be available to that industry if it were paying 85¢ an hour or less and if other conditions of work were comparable to those prevailing today in California agriculture?

The pious pleadings of farm association spokesmen as to the unavailability of domestic labor constitutes a most shallow hypocrisy which does not warrant the dignity of serious consideration by this Committee. It is obvious that the availability of labor to any industry is a direct function of the attractiveness of that industry's conditions of employment. It is equally apparent that if the growers were successful in reducing field worker wage rates to a maximum of 35¢ an hour, all of their present labor force - domestic and foreign - would quickly evaporate.

This is to say that the concept of domestic workers being "unavailable" for employment in this field is wholly inappropriate under circumstances where conditions of employment, as well as the very opportunity for employment, have been debased by the maladministration of a law purporting to safeguard these standards.

A much more fitting concept would be that domestic workers have been extensively deprived of employment opportunities and earning capacity.

Until the procedures which make possible the distorted findings as to availability of domestic workers are made to conform with the law's intent, thousands of domestic workers will continue to be wrongfully and illegally deprived of a means of earning a livelihood which is rightfully theirs.

A major step towards undoing this long-standing damage would be the adoption of a prevailing wage determination formula which would recognize the existence of adverse effect. We see nothing unreasonable in a formula which would allow a percentage increase in farm wage rates since the start of the labor importation program in the same proportion as has taken place in the rest of the economy during that period.

Until the adverse effect in the area of wages is removed in some such manner, and unqualified opportunity for employment of domestics is extended, there can be no true measure of "availability".

The Farmers' Stake In Wage Levels

The principal rationalization historically for refusal to extend standard minimal protections to agricultural workers has been the belief that the economic improvement of farm labor must necessarily be at the expense of the small farmer. We are convinced that this consideration has loomed larger in the eyes of legislators than the combined importance of all other considerations.

If such fears do in fact still underlie any hesitancy felt by Committee members in regard to recommending bold measures to deal with the problem, we cannot forcefully enough urge the most serious re-examination of this belief.

This fear seems to be predicated on the assumption that there is very little inter-relationship between wage levels, production volume, and farm prices. It is our firm conviction that such an assumption has no validity and that the implications involved for the small farmer

are quite opposite those portrayed.

On farms relying heavily on hired labor, wages are a major factor in production costs. When wage levels undergo a substantial decline, or stand still in defiance of rising costs in every other part of the economy, such farms will be able to operate profitably at relatively depressed price levels. As a lower "break-even" point in these operations is brought about, the lure of a quick profit for such farmers insures the rapid expansion of production. In turn, the expanded production tends to cause farm prices to veer downward until they approach the "break-even" price applicable to these large farms. By the time this new balance is reached, their overall competitive position is more than likely to have been strengthened. With production and prices more or less stabilized at levels that will still yield a satisfactory return on capital investment, the large farmer's individual longrange situation is made more secure. The physical plant under his control has been enlarged, the ranks of his competitors have been reduced in number, and the controls exercised by similarly situated growers over production and pricing practices in the industry have been greatly enhanced.

An absentee "farmer" with a $1,000,000 investment in one of our "factories in the fields" has identical interests. Since he is not contributing his own labor to the operation, he couldn't be less interested in the hourly return received by the farm workers - or the family farmers - for their labor. His sole involvement is that of a capital investor seeking to realize an average return of at least 5% or $50,000 annually. If low wages contribute to that objective, he is likely to favor their perpetuation.

The small farmer, who, together with his family, provides all or the bulk of the labor required in his operation, is affected in a

completely different manner since the nature of his involvement is of a totally different character. Although he has invested capital in his physical plant, his actual equity is more likely to be in the neighborhood of $35,000. At 5%, his interest on investment would come to only $1,750 annually.

This, however, is a minor portion of his overall investment. He and his family are primarily investing their labor and managerial skills. These can very easily total four thousand hours and more annually.If their time were valued at no more than the average hourly rate paid to California factory workers, it would yield a return of about $10,000 annually to the farm family.

In fact, the return to the working farmer is nowhere near this level. Nor is it a mere happenstance that the return to such farmers closely coincides with the hourly wage paid to the hired workers employed by his large-scale neighbor. The two types of labor are in very direct competition. Assuming an equal degree of efficiency in the two types of operations, the wage rate paid to the hired worker establishes the maximum that can be realized by the working farmer for his own labor.

The Broiler Producers' Experience With Competition From Cheap Labor

A significant factor in this situation is the influence of national processors and distributors. These corporations are increasingly involved, directly or indirectly, in the production end of agriculture and play a major role in the determination of production levels and farm prices. Their earnings are geared to volume marketing which, it hardly needs pointing out, is dependent upon the lowest possible farm and retail prices. This objective is greatly expedited by the payment of low wages to farm labor.

To these vertically integrated interests who own or control significant segments of the production-processing-distribution chain in many agricultural commodities, a fair margin between the farmer's production costs and the price he receives is actually undesirable.

The economics of vertical integration have been most vividly illustrated during the last decade in the broiler industry where astronomical levels of production have been reached through various systems of contract growing.

Independent broiler producers found themselves increasingly in competition with producers under contract with an integrated feed mill, hatchery, processor and/or distributor. It was not uncommon for the integrator to be involved in all these aspects of the industry at once, supplemented with other lucrative functions such as salesman (to a captive market) of medication and equipment, and manufacturer of fertilizer, chicken pies, dog food and the like.

These contracts were at first fairly enticing; but once "on the hook", producers found themselves more and more at the mercy of the integrator. Thousands of new producers were set up in business by the integrating companies in the interests of expanding their feed, chick, vaccine and equipment sales together with their processing and distribution volume. The margin of profit for the integrators on these functions was subject to very little fluctuation.

For the producers, such was not the case. More producers meant more production which in turn placed severe pressures on the farm price. Declining market prices enabled integrators to sell contract growers on production in order to maintain their income levels.

As contract growers adopted this "solution", desperate independent producers were forced to follow suit. The consequent further aggravation of broiler market prices spelled renewal of contracts

on terms increasingly unfavorable to producers. In a few short years, producers found themselves working inhuman hours in a futile effort to salvage their investment. Returns on their labor plummeted to 25¢ an hour and less.

The extensive California broiler growing industry was for all practical purposes wiped out in favor of the cheap labor regions of Georgia, Mississippi, Alabama, Texas and Arkansas.

Analyzing the quick destruction of family farming in this major agricultural industry, the inescapable conclusion is that the only factor involved was the systematic creation of an extremely cheap labor force through the device of contract farming. Against this type of competition, the possession of the finest "know-how" and technological plant merely enables the most efficient family farmers to prolong the agony a little longer.

The irony of this situation is that while the dynamics of this process were calamitous to broiler producers, they were a veritable bonanza to the integrators, many of whom were also involved in producing broilers. One such integrator from Georgia told a Congressional committee several years ago that he lost $1,200,000 in the production of broilers over an 18-month period. He freely admitted that the earnings he extracted out of the many other facets of his integrated operation more than made up for that loss.

The broiler industry's experience demonstrates the complete conflict of interest which often exists betweem large and small growers as to desirable price levels. We do not believe that there is anything freakish in nature about that industry's economics. The existence of these conflicting interests throughout agriculture has been confirmed by studies of the U. S. Department of Agriculture. While they are given expression in different ways due to the

differing circumstances of the various commodities, it is clear that the most frequent basis for the competition between small farmers and large-scale agriculture is the availability of cheap labor to the latter.

No more telling commentary on the stake of the small farmer in higher wage levels could be hoped for than the frank statement of John Zuckerman of Stockton during an address to the 31st annual meeting of the California State Chamber of Commerce in December 1958. This prominent grower spokesman frankly told the Chamber that the "return that small farm operators and members of their families receive for their own labor is related to wage levels paid on commercial farms".

U. S. Department of Labor's Study of Wage Rates

The public's growing awareness of the problem and its demand for constructive steps toward its solution caused the Eisenhower Administration to initiate an intensive study a year ago. We presume that it was on the basis of the findings of the U. S. Department of Labor economists studying the problem that Secretary of Labor James P. Mitchell made some most interesting comments in Chicago on November 22, 1959. Since it appears to be based on the most authoritative studies undertaken in the field, we submit some of the most significant excerpts from that address:

> "...We have come to regard (the condition of the migrant farm worker and his family) as ultimately intolerable in a society wealthy enough to correct it, and (are) committed to such a correction because of a belief in the essential dignity of the human personality. In attempting to define the national responsibility, it is first necessary to identify conflicting private interests, and assume that the national interest is best promoted by whatever reconciliation of these interests most advances the general welfare.

"There is the interest of the people of the United States, a people sensitive to the injustice of exploitation and a people who, in their own experience, realize that primitive labor standards in any segment of the economy are injurious to labor standards elsewhere.

"There is the interest of that Department of government created by a mandate charging it to promote the welfare of wage earners - not some kinds of wage earners but all wage earners - and on the seal of which appear symbols denoting both industrial and agricultural labor...

"There is the interest of the family farmer who stands in competition with the large farms which hire the majority of agriculutral labor, and who finds his own labor devaluated and his own competitive position impaired by a low wage structure on the great acreages of many of his competitors.

"And finally there is the interest of the wage earner himself, the men and women and their families who hire themselves out, and who stand at the very bottom of the American economic scale."

Mitchell spoke of the many organizations which have brought the problem of farm workers to national attention. He recognized that these workers are chiefly members of traditionally underprivileged minority groups. He found that the average migrant worker is unable to find work on almost half of the days of the year and has average annual earnings from all sources of employment of less than $900. Mitchell continued:

"This compelling individual figure appears on an employer's ledger as an item of expense along with other costs - feed, fertilizer, repairs and operation of capital items, taxes, interest on farm mortgage debt, all of which have risen substantially more than the cost of hired labor between 1949 and 1957...

"There are generally two kinds of farms in the United States today - those that hire farm labor and the traditional family farmer who does not ordinarily hire labor.

"One of the charges against aiding the migrant is that the small family farmer will be harmed. Yet more than half of all of the farms in America hire no labor at all. And those farms that do hire the great bulk of labor, including migrant labor, represent a very small percentage of all farms - something like 5% of all farms in America spend 70% of all the money spent on hiring help.

"But the important point for the small farmer to realize is this: Cheap wages on big farms cheapen his own labor and worsen his own competitive position.

"If the large farm,which hires most of the labor in agriculture, obtains that labor at low wages, and works it long hours, then the work performed on the small farm by the owner and his family is of equally small value, as that value is determined in the market.

"A farmer who considers his own labor and that of his sons and neighbors worth more than the sum being paid by the large farmer, will find his products driven from the market by the products grown by hired labor paid less. If the small farmer agrees with the spokesmen for some farm associations that hired help is worth no more than substandard wages, he is marking that price down on his own labor as well...

"The small family farmer would benefit from rising standards and wages in agriculture for it would increase the value of his own labor as well as improve his competitive position against those large farms that pay substandard wages for long hours."

The community of interest that may have once existed among all farmers is today either dead or dying. Unfortunately, there has been a serious lag in the recognition of these radically altered relationships by both state and federal legislators. Continued failure to distinguish between working farmers and absentee or corporate landlords can only work to the detriment of the modern family farmer and the farm worker. It will ultimately prove damaging to the consumer as well since the concentration of control of food and production and distribution must eventually lead to administered pricing practices on the part of the dominant corporations.

The Secretary of Labor commented on the monumental apathy of the large growers' associations regarding the problem:

"One would think that the employers of migratory labor would long ago have offered proposals to improve the lot of these people with whom they deal. But proposals do not come forth. Instead, most employers remain mute while the associations and organizations to which they belong take up a defense of what they regard as farm freedom.

"The American people can tell them that there is not now, and there never has been, a freedom to exploit. As long as the most powerful employer associations can be relied upon to resist absolutely and unequivocally any proposal designed to improve the conditions of farm wage workers, then their contribution to the eventual solution of what is, in fact and reality, a national problem will be zero...

"I do not think the American people are going to permit the condition of the migrant worker to be prolonged because of a resistance to change on the part of some farm employer associations. Rather, they are going to demand change. They are not going to accept the opinion that a problem does not exist...

"We are told that competitive forces will continue to push wages up and increase what we view as a problem, but competitive forces do not operate in an economy where an employer can create a false labor shortage by offering unacceptable wages and then receive foreign workers to bring in his crops."

This last conclusion is supported by the findings of the four distinguished consultants to the Department of Labor who were appointed to review Public Law 78:

"Studies of the BES show that wage rates in crops for which Mexicans are employed do not move upward at a rate corresponding with the general trend in farm wage rates.

"Between 1953 and 1958, the hourly farm wage rate in the U. S. increased 14% according to the Department of Agriculture. An examination of wage surveys made by state agencies in areas using Mexican Nationals show that the average rate paid to domestic workers in these areas either remained unchanged or decreased in 3/5 of the cases.

"During the past decade the wage differential between agriculture and industry has been widening steadily and it may be inferred that the use of foreign workers in agriculture is partly responsible."

Mitchell commented on these findings:

"This is certainly not the free play of a competitive labor market. As long as the working of supply and demand can be nullified by artificial wage rates that induce artificial labor shortages which are remedied by use of foreign workers, we can expect a continuation of low wage levels."

In concluding, the Secretary commented on the swelling indignation of the general public:

> "The American people are going to become impatient with continued resistance to needed change. That change will come as surely as the sun will rise. The migrant problem will not be ignored nor can people be led to ignore it.
>
> "Our community will find ways to solve it, and by community I mean the community of citizens that make up America, citizens with wisdom and compassion and good sense, and citizens who save their final censure for those who stand by and seem unable to find within their economy a place for conscience."

Implicit throughout this statement is our basic view that the longrange best interests of the nation and agriculture itself would be served, not only by the development of our farm labor force from domestic sources, but through the stabilization of our domestic farm labor force at the highest possible level.

Insofar as migrant workers are concerned we have pointed to the necessity of itinerary planning by the Farm Placement Service as a means of maximizing employment for domestics. Along these lines, we also urge the development of annual worker plans, such as those which have met with considerable success in the Northwest.

Another area in need of improvement is that of housing. Adequate housing for farm workers and their families is frequently thought of in terms of labor camps for migrants who come into an area for peak season employment. This, however, is only half of the problem. If the idea of integrating farm worker families into rural communities is to have any meaning, immediate attention must be given to the provision of housing for farm labor families who could settle in rural centers of agricultural activities, and provide the basic year-round source of agricultural labor within a substantial radius of the rural center. The development of this type of housing must go hand in hand with the elevation of wage levels if farm workers are to be removed from the category of second-class citizens.

Let us recognize the fact that even if farm workers' wages are increased to a level sufficient to again build up a dependable domestic supply, the level of agricultural wages will still be among those received by the nation's so-called low-income group. This means only one thing for housing; namely, conventional methods for financing adequate housing for farm labor families are out of the question. Either it will be necessary to extend the concept of urban public housing to rural areas, or a new source of low-cost money must be available for cooperative-type housing which could be undertaken by private groups without the benefit of any direct governmental subsidies.

There is no reason why the development of such housing programs cannot be undertaken in California by the State, without awaiting initiative from the federal government. We specifically recommend, therefore, that this Committee develop recommendations to the 1961 legislature that will meet the housing needs of many farm labor families who could easily be integrated into rural community life.

Along these lines, it is equally important to recognize that schools, child care and medical facilities must be expanded for farm labor families commensurate with the stabilization and integration of farm labor families into rural community life. Special state aid in this connection is necessary because so many rural communities, with an agricultural tax base, do not have the funds necessary to develop the facilities needed when a rural area becomes a stabilized farm center.

The knowledge that attractive facilities of the type recommended above will be available to farm families in our agricultural communities will go a long way towards guaranteeing the stabilization

and expansion of the domestic farm labor force available to various agricultural areas in the State.

To repeat, such measures should be undertaken by the State in those situations where adequate programs are not likely to come from private sources and where the rural areas do not have the tax base necessary for their development.

Finally, it must be recognized that we are talking about long-range programs. But we must face the fact that along with the need for immediate action in certain areas as recommended in this statement, we must also be looking for solutions to the overall long run problem.

We sincerely appreciate the tremendous work of this Committee and the contribution which it is making toward better public understanding of agricultural labor problems. However, intermittent activities by committees such as this between sessions of the legislature cannot possibly replace the need for a permanent agricultural resources committee, established on a statutory basis and with broad representation, which could develop solutions to broader problems for recommendation to the legislature. Such a bill was offered at the last session by Senator Hugo Fisher (SB 1469), but was also referred to Interim Committee for "study of the subject matter of the bill".

We urge your committee to seriously approach the need for a permanent California Agricultural Labor Resources Committee in terms of finding solutions to some of the problems which we have raised in this statement, designed to elevate farm labor families to a level of first-class citizenship. We are confident, accordingly, that in the end you will agree with us on the importance of recommending the passage of SB 1469. In the long run, it is only if we bring all community resources to bear on the agricultural labor problem that lasting solutions will be found.

C. JONES

Rancho Del Viento

Clyde V. Jones
Barbara S. Jones
P. O. Box 607
Ballico, California
Phone Turlock
ME 2-1900

26 January 1960

The Honorable Senator James A. Cobey, Chairman
Senate Fact Finding Committee on Labor & Welfare
413 State Capitol
Sacramento, California

Dear Senator Cobey:

Attached is a copy of a report to your committee which I respectfully submit, and which, I hope will be informative and helpful to the deliberations of your body.

Sincerely

(Clyde V. Jones)
CVJ, M.D.

CVJ/mmc

encl

(12)

STATEMENT OF CLYDE V. JONES
Before the
SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE
28 January 1960

1. Nature of My Operations- I operate a ranch in northwest Merced County near the town of Ballico under the name of Rancho Del Viento. The crops grown are peaches, grapes, almonds, and boysenberries. The major crop is peaches for canning purposes, the other crops being grown in order to balance our labor requirements throughout the year and to enable us to give our employees continuous work. The ownership is that of man and wife, not incorporated, and consists of about 550 acres of peaches plus the other crops mentioned above.

In addition to my own ranch, I manage another for Mr. M.C. Jenkins growing the same general crops.

A large portion of our property is in young trees and our future labor requirements will be more than double the amount required for the 1959 season. For this reason it can be readily seen that I and the people who work for me, are seriously concerned with the nature and result of the deliberations of the various sub-committees of the California Legislature, the Legislature itself, and the various Federal agencies.

We maintain and operate two labor camps on our ranches. One of the camps is for transient or local people requiring housing, and one camp is for our Mexican Nationals. Our transient camp has 13 cabins, showers, toilets, and washroom, and the Nationals camp is certified for 34 people.

We have never been in conflict with any of the agencies supervising building or health standards of the Federal, State, or County levels, although we have had to make some minor changes rather

hurriedly in order to comply with minor variations in requirements. It is sometimes rather difficult to know how the varying standards and requirements will be interpreted by different officers at different levels of government. Our relations with the California Division of Housing have always been good and their requirements have always been administered with consistency and understanding in our experience.

In order to maintain a full working force we try to keep two working forces during our peak periods of labor requirements. o maintain a force of domestic laborers at these periods and we try to keep these people returning to us year after year. We are only fairly successful in this practice. At the same time we have usually required the use of a Nationals or "Bracero" program in the past few years as a supplementary force to accomplish the operation of our ranch.

We feel that we have made diligent efforts to use all available sources of labor including the Farm Labor Office, newspaper advertising, school children at periods when they are available, various racial groups, labor contractors, church groups, military personnel on leave, and others. In addition, we are continually reviewing our personnel practices in order to develop better methods of handling our labor and the recruitment of good labor. We try to train our foreman and crew bosses to better handle their crews, and try to develop new and improved methods of job performance to achieve greater productivity and greater job safety.

Because we wish to have a good, qualified, and adequate labor source that will keep people returning to us year after year, we have never turned away a worker who wanted to work if there was work available. We feel that this is a necessary and good labor practice and not merely a requirement of the users of the "Bracero" program.

[illegible] type of crop at that point, we have been able to get our crops harvested without the use of supplemental labor available to us through the Nationals progarm. During the 1959 season we sustained losses of fruit during the periods adequate labor was not available and fruit was ripe and ready to pick.

The above remarks are an attempt to summarize the character of our ranch operations and the manner in which we have tried to solve some of our management problems. The balance of my statement will attempt to follow the suggested outline of subject matter as included in Your" Notice of Hearing."

(1) Seasonal Farm Labor Needs and Trends- It is necessary in the peach growing industry for us to have seasonal labor to harvest and thin our peach crops. We maintain a level year round force for all of the rest of our operations but this is not adequate to achieve the necessary cultural needs at either peach thinning or peach harvest time. In our particular case, we have a small acreage of boysenberries to give our thinning and picking crews employment between the end of May and the middle of July when the peach picking begins for us. In this period of time we pick and re-trellis the boysenberries.

The trend of labor availability at these peak periods has been that less and less labor is available to us for many reasons. These reasons may be classified as economic and legislative. One of the major economic reasons for the dwindling farm labor supply lies in the obvious expanding industrial nature of our California economy which causes the farm laborer to go to industry where higher rates of pay are available and physical environment is more desireable to him. The picking and thinning of peaches is not a very desireable occupation for many reasons. Another economic factor has been the mechanization of the cotton harvest, thus dislocating the seasonal habits and routine

of many farm laborers. Rather than being disturbed by this turn of events, it would appear that anyone genuinely concerned with the welfare of the previously transient American citizen should be thankful that he has been able to find steady work and a higher status because of the greater availability of jobs. This does, however, create a problem for those segments of agriculture still needing seasonal labor.

Legislative action has caused our labor supply to dwindle because of various reasons. We are unable to use women in many occupations previously open to them because of the hazards of ladder accidents and the necessity of keeping children out of the fields. The maze of labor laws affecting the use of minors in agriculture and elsewhere is making it well nigh impossible to use the youth of the community on any but what the young people consider the most undesireable jobs. In addition to the legislation directly affecting job conditions, we face considerable problems when we are in competition with the social welfare programs administered by the various levels of government. The effects of the various forms of legislation affecting agriculture are complex, but my observation has been that they tend to reduce the various forms of labor available to us in the past, by either restricting the use of various peoples or by creating such financial hazards that we must restrict the presence of these peoples in our working areas.

I do not say that these laws and, or regulations are necessarily evil, but merely that the total effect has been to remove a large number of workers from the agricultural labor pool. As an example, we commonly hear comments from prospective workers that the work is too hard and that they would prefer to draw unemployment compensation rather than perform agricultural labor.

Another economic factor removing people from the agricultural pool is the gradual urbanization of our society. People living in the cities are physically removed from the farm areas and because of lack of inclination and physical conditioning usually make rather poor field hands. This is particularly true of people living in the San Francisco Bay Area where the climate is much milder than the harsh summers in the Central Valley. Even if the worker is inclined to work and develop the necessary skills, it takes some time for him to become physically adapted to the change in climatic condition.

(2a) The Need for Public Law 78 - It is my opinion because of the conditions that developed during 1959 and the subsequent loss of crop, that as long as there is a condition anywhere approaching full employment, there will be a need for a "Bracero" program or an equivalent.

(2b) Its Operation - The operation of Public Law 78, while increasing in complexity and difficulty so far as the farmer is concerned has never-the-less been very helpful to the farmer and has enabled him to survive, and enabled him to produce food for the nation during the last two military crises. The operation of the program has, from my own observation, been satisfactory to the average worker imported under this program. From the correspondence we regularly receive it would appear that many individuals in Mexico have been awakened and have benefited from their experiences.

In the past 1959 season however, there seemed to be many new factors operating to the detriment of the program as far as the farmer is concerned. There seemed to be a lack of decisiveness on the part of the administrators of the program and an inability to get the workers certified and available to the farmer

in time to avert economic disaster. Our ranch sustained considerable losses due to the lack of available labor at times when our fruit was ripening. I estimate, conservatively, that our ranches lost approximately 10% of our Elberta crop and about 5% of our Mid-Variety clings. Senator Cobey personally saw some of this loss in the Delhi-Ballico area.

It would seem if the program is to regain and maintain its effectiveness, it will be necessary to streamline the administrative details, and to have the program administered in a fashion sympathetic to the users of this labor at least to the degree necessary to ensure against the loss of crops.

(2c) Its Economic and Social Impact on Farmers, Farm Laborers, and Communities - As far as the farmer is concerned, I believe the program to be expensive and difficult to live with upon occasion, but I would submit that is creates stability in the agricultural economy and the communities thus concerned. We are able, in our operation to furnish steady year round employment to many people that would not thus be employed if we did not have available to us a supplementary labor force at a reasonable cost. This enables a substantial number of men working on our ranch to have steady work, to own their own homes, to have television and the creature comforts that are deemed desireable today, and to send their children regularly to the same school, in order to grow up with community spirit and status. I should like to re-emphasize my belief that only through stable agricultural conditions can we have stable agriculturaly related communities.

(3) Domestic Farm Workers, Both Local and Migratory - Under this title I shall restrict my comments to the seasonal or peak labor requirements and not discuss the year round labor force which was mentioned in the topic under (2c).

We use three basic types of seasonal farm labor:

1. The local or transient who has skilled abilities and drives to perform the required tasks.

2. Local and migratory labor that is largely composed of the unstable elements of society. They may be alcoholics, fugitives from law enforcement agencies, men running from family responsibilities and matrimonial disorders, bill beaters and common drifters. These people generally lack either the ability or the drive, usually the latter, to perform agricultural labor.

3. The supplementary labor supply known as the Mexican National, or "Bracero" program.

The first category I have referred to previously in the discussion of the nature of my operations, and we are able to maintain a small but very useful force of workers in this category. We believe that these people earn adequate amounts and are happy in their work because they appear to be stable and industrious people and they do return to us year after year.

The second category of people are those referred to us most often by the California Department of Labor, Farm Labor Offices. In passing, I should like to say that our local experience with the Farm Labor Office has been basically good and that we believe that they

perform a necessary function for both the farmer and the worker, as well as for the taxpayer in general. One by-product of the referral system however makes it easy for an individual to avoid the eventuality of going to work by "job shopping" from ranch to ranch for extended periods.

Attached to this report as Appendix 1, is a recapitulation of the labor referred to us by the Merced and Turlock offices of the Farm Labor Service during the period from 27 April 1959 to 18 December 1959. We started our thinning operations about the first of May. The number of people ordered and the number referred to us by the above offices has been taken from their reports. We maintain in our office a list of the names and number of people reporting to us and hired, along with the number of people who have actually worked for us. Totals (1) and (3) are not particularly significant because we maintain open orders and frequent contact with the above mentioned offices. Our daily requirements will vary within small limits and our seasonal requirements will average between 150 and 200 seasonal laborers at one time depending upon the amount of fruit to be picked or the length of time it requires to thin a peach tree. Totals (2) and (4) indicate the number of people referred out of these offices with instructions and directions to come to us. Of the 422 people referred to us, 209 reported for work and were hired. During the period from April 27 to December 18, 1959 of these people we had 27 who worked one full day or more.

It is significant to note that during the months of July and August which was the peach picking season, the results of our efforts from this source were particularly unfruitful.

It should be noted that our ranch usually pays piece work rates and that these people have always been offered precisely the same compensation as any other person working on the ranch and performing like tasks.

In the past we have not refused to hire people who were moderately drunken, but we feel that in the future we may have to be more discriminating in this regard because of liabilities involved in our insurance programs. Also we have not prohibited women from working on ladders although we have discouraged them, but it appears that for similar reasons and the rulings of the Department of Industrial Relations that we are going to find it necessary to prohibit the presence of women in the ordhards. I am not pleased with this necessity because there are some men who would not otherwise work unless they were under the surveillance of their wives or women.

The necessity of restricting the presence of children and women in the orchards also has a limiting effect upon the working of families during the harvest period. It has been my observation in the past that many families have improved their lot in life by a joint family effort and I am disturbed when I must restrict the fathers and mothers from what, in many cases, is not only an economic necessity but also an opportunity for a father to train his youngsters to the value of work.

(3a) <u>The Dependability and Skills Available</u> - We find that, given the desire or necessity to work, most people can develop the skills necessary to perform most phases of agricultural labor especially those of peach thinning or picking. No individual could be more unskilled than the average "Bracero" imported from Mexico, but with the interest and desire to work, most of them quickly learn to perform the tasks required with very adequate skill.

(3b) <u>Recruitment Steps Taken</u> - We have worked with the Farm Labor Service in past years using newspaper advertising and have joined with

other grower groups in advertising outside of the area. In addition we have contacted church groups, labor contractors having specialized sources of labor, and military agencies in an attempt to recruit adequate labor. We have worked with school units at Turlock and Livingston in an attempt to get adequate supplies of labor.

(3c) Efforts to Maximize Utilization of Domestics - As previously mentioned, we continually instruct our employees to have them emphasize better methods of picking, pruning, and thinning so that our labor force can be more efficient. In addition to the attempt to improve our own methods, we have requested information and assistance from safety engineers available to us from the State and insurance agencies. We believe that films and other training aids could be very useful in creating skills and safer habits on the part of our employees. This program to be effective, however, must be well done and statewide.

It is realized that the maximum utilization of the domestic labor supply could best be achieved if the harvest were a uniform operation with the same number of people required for every day of the season. The effects of the weather, it being beyond our control, are such that there are always several peaks during the peach harvest and this of course makes impossible the delivery of uniform tonnage each day. It is to the economic interest of the farmer to use the smallest labor force possible because of the high cost of hiring, equipping and supervising extra people. In this, as in others, it would appear that the social objectives of maximum utilization of domestic labor and the economic requirements of the farmer are in harmony.

(3d) Fringe Benefits - We do not have any such benefits at the present time although we have investigated such possibilities. At present they are beyond our financial abilities.

(3e) Use of Youths As Farm Workers - I am particularly interested in this topic because I was once a farm youth and because as a member of the Merced Union High School Board of Trustees I have a special interest in the youth of my home community.

I left the farm because as a young man I had to work in the peach orchards and this was so distasteful that I vowed never to return to the farm. I worked my way through college and became a civil engineer because of this severe distaste for peach picking. Incidentally todays laws would have prohibited the work I performed with my father.

We have used young people of high school age on numerous occasions in the past few years, both as individuals and as groups. Our experience with youth coming to us and seeking a job has been reasonably good. On the other hand when we have made arrangements with groups of youth to work during the critical seasons, the results have been uniformly bad. Our forefathers had a catch phrase for this -"One boy equals one boy, two boys equal half a boy". We attempt to use as many of the youth of the community as possible, believing that work experience is good for them and good for agriculture, but we are rather severely limited by the laws and regulations regarding child labor. A young man under 18 cannot understand society's rule which says that he can drive an automobile at 65 miles per hour along our highways while coming to work, but which deprives him of the right to drive a tractor at 3-5 miles per hour in our orchard. He is not only deprived of the right to drive the tractor but he is also deprived of the bodybuilding right to load the boxes on the trailer.

College youth in general prefer summer jobs related to their future occupations in life.

It may be stated in general the youth does not care for the tedious job of picking and thinning. Occasionally one will be found that likes these jobs but they will never, without coercion, be a significant portion of our work force.

A trend in the field of education may have an important bearing upon the availability of youth for summer work. Many systems are running their schools through the summer months using specialized and selected courses. These courses are designed to expedite the education of the able student, or to remedy the weaknesses of the poorer student. Because of the high cost of building and maintaining our present school plants, I feel that in the very near future many of our youth will not be available for summer work, because of the necessity of better utilization of our school plants and facilities.

(4) Wages and Earnings of Domestic and Foreign Farm Workers - We are required by law to pay the same rate to both domestic and foreign farm workers. Because we pay piece work rates it naturally follows that the foreign and domestic worker are working under the same, identical conditions. Except under unusual circumstances, we usually have "Braceros" and domestics working in the same crews. Our experience has been that the "Bracero" is a gentlemen and a good worker and that he is a Godfearing, church-going person if given the opportunity. In order to not have any feeling between crews, we make it a policy to mix our crews without regard to race, creed, or color, and this policy is only limited by language or book-keeping difficulties. Our only problem in this regard is with people who bring wine bottles to the fields and they sometimes give trouble where women are concerned.

In regards to piece work rates, people that have developed high skills and abilities can and do, earn wages well above any minimums that have been established. We notice very little difference between the skilled domestic worker and the skilled "Bracero" in terms of earning ability under our conditions. The difference between our skilled domestic and those domestic workers having little desire to work soon becomes quite obvious. It is necessary for us to pay piece work rates high enough that the skilled domestic worker will be satisfied to stay with us and to return to us in future years. This is generally the factor that determines our piece work rates and these are the rates which are earned by both domestic and foreign workers. As a general rule it may be said that the average worker must earn more than 25% above the generally accepted hourly rate when he is working on piece work, or he will probably become dissatisfied and look elsewhere for employment.

(5) Factor Affecting the Ability of Farmers to Meet Their Labor Costs - It is my understanding from private conversations with representatives of lending agencies that many peach growers failed to meet their obligations at the lending agencies on the completion of the last season. This could probably be verified by your committee sources. I personally failed to create any obligations to the Federal or State Treasuries during the past reporting year. In addition, it now appears that because of the surplus of peaches and the extensive new plantings, and the complicated operations of the marketing act under which our cling peaches are marketed, that we cannot expect prices in excess of breakeven figures so long as there exists a surplus of peaches.

It should also be noted that the cost of all equipment and supplies that are used by the peach grower have steadily increased while at the same time we are receiving lower prices for our products than we have received in the past. It is my understanding that persons more qualified than I have testified on this point.

Another complicating factor in our economic position relates to new peach plantings in the southern states of North and South Carolina, Georgia, and Alabama. The combined planted acreage in these states approximates 122,880 acres and only about 50% of this acreage is now in production. While these acreages are mostly freestones, they will comprise quite a threat to our California markets and will thus complicate our previously difficult economic position. California's freestone acreage is now about 48,107 acres. These figures were taken from an article in the Fresno Bee on January 10, 1960 and were taken in turn from a study by Homer Keller, Kings County Farm Adviser.

Expanding fruit production in other areas of the world is now beginning to become a factor threatening the export position of the California canning and packing industry.

(6) Farm Mechanization - There has been a concerted effort within the peach industry to mechanize our operations as far as possible and consistent with economic limitations and the marketing of acceptable fruit. In order for fruit to be acceptable to the canner and the ultimate consumer, it is necessary that it be picked at its optimum quality. To do less would endanger our markets. Ripe peaches have a tendency to become soft and are a very difficult commodity to handle with machines under field conditions. Some progress is being made in mechanized harvesting but only the equipment developers are very optimistic about early and great success in this field. Some of the problems involve the nature of the growth of the tree and the fact that peaches shaken from the trees become injured by the limbs as they fall, so it appears that it will be necessary to alter the habit growing habit of the tree before the present mechanization methods are acceptable. This would indicate that our present labor problems will be with us for sometime to come.

Summary - There have been some suggestions regarding the importation of supplementary labor from areas of labor surplus in the United States. First, I should like to say that many of the people now on our ranches employed as year round steady hands were once migratory laborers. They are buying homes, educating their children and acquiring identification and status in our communities. We are rapidly eliminating rural slum areas because of the gradual improvement of these peoples in many ways. It would appear to me to be dangerous to again commit an error by uprooting people from their home communities and transporting them to new communities in order to perform work that they will probably not like anyway. Being a practical farmer I doubt that much effective labor could be had in this fashion and I am afraid that there might be created more welfare and law enforcement problems than we now have. If these people make such a move of their own choice they might become useful members of our labor force. It is impossible however for the farmers to provide such family housing under present economic conditions.

I believe that any significant increase in costs to the peach growers will result in the failure of all except the best financed peach growers. This condition will surely result in a deeper involvement of the industry in vertical integration with the canner, processor, and distributors.

I believe that the interests of the public are being served by the present supplementary labor program; that we are being protected from the evils of larger welfare loads because the "Bracero" can and does go home when his presence is no longer needed; and, that there are enough rules and regulations upon the books at present to restrict and remove most of the violations and evils of the present program. I believe that the Public Law 78 could be more skillfully administered.

I believe that many of the overlapping and ambiguous laws relating to the employment of youth could be improved upon so that character building and body building work could be better provided to them.

Many groups of people in our economy continually extoll the virtue of maintaining the small farmer, the family sized farm, and the small business in our economy. I submit that continued economic pressure upon agriculture is certainly and surely driving this type of operation out of business. In the Ballico area where I live and farm, the largest single user of the "Bracero" program is the organization known as Cortez Growers. This is a group of so-called small farmers banded together in a purchasing and marketing co-operative and consists of about 50 growers operating as a unit. Small farmers are having great difficulty competing with large buyers, large labor, and big political movements.

The issues that have been discussed here are of prime importance and solutions arrived at will either make or break those of us in the peach growing industry.

APPENDIX I

DATE	MERCED OFFICE		TURLOCK OFFICE		HIRED	WORKED ONE DAY OR MORE
	No. ordered	No. ref.	No. ordered	No. ref.		
APRIL:						
4-27	25	39	Open (50)	29	22	~~1~~ 2
MAY:						
5-1			Open (50)	47		
5-29			120	60		
5-5	Open (50)	22			40	~~2~~ 5
JUNE:						
6-1	35	29	6	7	35	2
JULY:						
7-30	62	2				
7-15	10	12				
7-14			10	124		
7-28			6	9		
7-28			50	41	74	~~5~~ 6
AUGUST:						
8-3	62	15				
8-31			20	3	26	1
SEPTEMBER TO DECEMBER:						
9-3	40	34				
9-25			10	0		
9-30			6	1		
10-1	20	44				
11-2	6	16	25	5		
12-18			10	13	12	11
Totals:	310	213	363	339	209	~~23~~ 27
	(1)	(2)	(3)	(4)	(5)	(6)

FRESNO STATE
COLLEGE

TO: Senate Fact Finding Committee on Labor and Welfare of the California Legislature
Hearing at Hacienda Motel, Fresno, California
January 28, 1960

FROM: Thomas M. Brigham, Representative of Fresno Rural Health and Education Committee, Inc.

SUBJECT: Highlights of A Study of Farm Laborers in Fresno County from January 1, 1959 to July 1, 1959

BACKGROUND: Fresno Rural Health and Education Committee, Inc. is composed of a group of citizens including clergymen, doctors, lawyers, businessmen, farmers, interested laymen and women and professional workers from public agencies such as departments of health, welfare, agricultural extension service, probation, schools, etc. This committee secured a grant from Rosenberg Foundation to study farm laborers in the period indicated above as a preliminary to further action-research projects to help farm laborers upgrade themselves and their living conditions.

The committee designated Dr. William C. Beatty, Jr., Professor of Social Science, Patricia R. Pickford, Assistant Professor of Sociology and Thomas M. Brigham, Associate Professor of Sociology, all of Fresno State College, to direct the study. The Study Team hired professional consultants and recruited, trained and directed a team of interviewers. Interviews were held with farmers, labor contractors, ranch foremen, employment specialists, professional workers in daily contact with farm laborers such as welfare workers, probation and parole officers, public health personnel, police, agricultural extention workers, church workers, school personnel, and agricultural expers from Fresno State College; an analysis was made of 1,511 applications for emergency relief from farm laborers in the period from December 23, 1958 to March 26, 1959, and from among these an intensive interview was held with each of 50 applicants; 138 intensive interviews were held with farm laborers waiting for jobs with labor contractors; 62 farm labor families were given lengthy depth interviews; material was utilized

from an intensive door-to-door study of a fringe slum area in which 64 farm labor families were interviewed.

FINDINGS: See attached pages from A Preliminary Report of the Study, pp 54 and 55.

RECOMMENDATIONS:

The Committee is currently considering a Series of specific recommendations made in the Study for aiding in education, health and general welfare of farm laborers in Fresno County. These recommendations are reported on pages 56-61 of A Preliminary Report.

Additionally, Committee members have expressed concern over the apparent extent to which taxpayers are subsidizing farm labor in Fresno County because of the lack of year round employment and the low annual income. Fresno County Welfare Department operates an emergency relief program during winter months to feed applicants who are in a vast majority farm laborers, and there is some evidence that Aid To Needy Children rolls are added to by farm labor families in which the father, in desperation, "deserts" because the family can live better without him in the house.

Further reference to the Study Report reveals this statement, "...however, the study team feels that it should be clearly evident at this time that farm labor in Fresno County comprises an underprivileged, underpaid, improperly fed, ill-housed, poorly clothed, inadequately socially protected (including such basic protection as fire, police, health and medical care, social insurances, etc.), poorly educated (in terms of general education and in terms of their rights and responsibilities in the community) but still a significantly large segment of the total community. As long as this group is kept in this status it seems inevitable that they as well as the whole community will suffer. The study team cannot present conclusive data on income level of farm labor families; however, we do feel that there is ample indication that the income derived annually by a vast majority of

farm labor families is totally inadequate to maintain anything like a minimum-subsistence level of living standard. Furthermore, the study team rejects on the basis of interviews with farm laborers, people who work with them in the capacity of employers, foremen, labor contractors, and the various agencies, the assumptions and assertions sometimes irresponsibly made that as a group these people's (farm laborers') problems are of their own bringing about, that they are in effect poor planners, improvident, unresourceful, unconcerned with the care of their children, etc. The study team feels that among the farm labor group there are people who fall into these asserted categories; however, we also feel that there are significantly large numbers of farm labor families who are as resourceful, provident, as responsible, etc. as members of other occupational class groups in the community, but who cannot, despite all these characteristics, maintain an adequate standard of living and aspiration level for themselves and their children. Therefore, the study team recommends in effect, "to whom it may concern," that steps need to be taken immediately to bring about more equitable rates of pay, better housing, better educational opportunity, better police and fire protection, increased access to medical care, and all the other advantages which might be expected to accure to ctitizens in our wealthy, productive economy. We feel that income is basic; but we also feel that steps can be taken in other directions which will help raise the standards for farm laborers in Fresno County Today."

Brief Summary of
Major Findings

1. Present farm laborers in Fresno County

   a. All sources of information indicate that most farm laborers are now permanent state and county residents and are no longer migrant in the old pattern.

   b. Farm laborers in Fresno fall into these general groups:

      (1) The relatively stable laborers living with their families, settling in rural-urban fringe areas, who do not object to farm labor as such but feel their wages and working conditions are not good. This group seems to offer real promise in terms of being helped to upgrade their standards and circumstances.

      (2) The men separated from their families and living alone in flophouses who are often alcoholics or otherwise ill or social deviants; this group is much more transient and does farm labor only as a very last resort but would prefer some other occupation and would prefer not to be transient.

      (3) A comparatively small number of workers who live year-around on some ranches in fairly permanent housing and seem to have far fewer problems than either of the other groups.

2. Future need for farm laborers

   a. Consensus among agricultural experts is that greatly increased use of mechanization in total farm operations with almost all crops is possible in the near future, but that actual move toward more use of machine is directly tied to costs of hand labor. A cheap labor supply will prolong the realization of full mechanization.

   b. There are differences of opinion about forseeable use of hand labor as more tree, vine and vegetable crops are raised. Some experts and ranchers see a sharp increase in need for hand labor because machinery is not yet perfected. Others see a slow but continuing decrease in use of hand labor as replacement by machines is advanced. Consensus among all is that mechanization is tied to labor costs.

3. Pattern of employment

   a. Use of contract labor has increased greatly. Almost all of the "Day-Haul" workers, and most of the workers living in family groups report obtaining work through contractors as the dominant pattern.

   b. Ranch management indicates a preference for contract labor over use of the large scale labor camp.

   c. Contractors and laborers report that few laborers are covered by social security benefits through failure of the contractor to send in payroll tax. Of course, farm laborers are not, by and large, covered by other social insurance benefits such as unemployment insurance, disability insurance, etc.

4. Pattern of housing

a. Large scale provision of free housing by ranchers is disappearing with one or two notable exceptions.

b. Those ranches moving toward a pattern of mechanization and permanent employees already have or plan to provide low rent adequate housing to relatively few employees.

c. Single men involved in the "Day Haul" pattern of work live mainly in flophouses.

d. Farm workers living in family groups are settling and moving into "urban fringe" slum type housing. (More than 85% of those interviewed had lived in Fresno County more than two years.)

e. A building code effective in Fresno County beginning January 1, 1959, should prevent new slum developments, but there is as yet no code covering existing housing.

5. Income levels

a. Best available information puts hourly wage scale at 75 cents to 95 cents for more skilled jobs, as the prevailing wage on West Side farms. On East Side fruit ranches prevailing wage is $1 plus per hour.

b. Incomplete information about annual incomes obtained from workers living in family groups indicates a majority (67%) of those who could give an estimate realize less than $2,500 per year total family income. And a majority (73%) of the total group set their financial status at the same level or below that which their parents had.

c. U. S. Department of Labor News, USDL-2886, states, "In 1957, farm workers who worked 25 or more days per year earned on the average of $892 per year from farm and nonfarm sources.

d. Fresno Community Council's intensive door-to-door survey of a typical fringe area found an average family income (for 64 families surveyed) of $1,990; 83% of these families earned $3,000 per year or less.

6. Law enforcement

a. There was consensus among all informants that there is a serious shortage of law enforcement personnel in the rural areas, and that much lawlessness in these areas results.

b. In the opinion of law enforcement personnel interviewed the growing "urban fringe slum" presents the most serious group of law enforcement problems.

C. G. FITTS

L. PARKER

Statement Prepared by Coit Ranch, Inc.
For presentation before the Senate Fact
Finding Committee on Labor and Social
Welfare.
Fresno - Monday, January 25, 1960

Mr. Chairman, Committee Members and Guests:

My name is L. C. Parker. I am the Assistant General Manager of Coit Ranch, Inc., Mendota,

Coit Ranch is a diversified operation. We are farmers of cantaloupes, cotton, alfalfa, and barley, and operate a cattle feed lot, two cotton gins, and a small fishing pole manufacturing plant. We also operate our own cantaloupe packing shed.

We believe that we are one of the largest grower-shippers of cantaloupes in the world, with an annual acreage of 2600 to 3000 acres and our shipments are distributed throughout the United States, Canada and the Hawaiian Islands.

The reason for my appearance before you today is to stress the importance of the Mexican Agricultural Workers program to us as growers of cantaloupes and the importance of the program to the California cantaloupe industry in general.

In 1959 we employed a total of 240 Mexican agricultural workers to harvest our cantaloupe crop. These workers were requested and employed in five increments as our needs developed. Requests for Mexican agricultural workers were placed with the Fresno Farm Placement office as contracts expired and when domestic pickers were not available.

Cantaloupe harvest is one of the most, if not the most, physically demanding occupations in California agriculture. The hours are long; our crop in the Mendota area ripens at the hottest period of the year; the physical

effort and endurance required is tremendous, being far beyond that expected in the harvesting of other crops such as grapes, citrus fruits, peaches, pears, etc.

Coit Ranch has pioneered in the mechinization of cantaloupe harvest. In 1959 thirty-seven percent of our pack was harvested employing the use of conveyor belt loaders. This method of harvest requires the worker to pick the cantaloupes from the vine and place them on a conveyor belt which carries the melons into a following truck. The conventional method of harvest requires the worker to pick the melons and place them in a sack carried on the workers back. When the sack is filled to a weight of approximately 70#, the worker carries the filled sack up a ramp and into a truck where the load is dumped. This latter method is much more physically demanding, but the use of the mechanized loaders is limited by their lack of mobility.

It is our strong conviction that without the use of Mexican agricultural workers we would either be forced to abandon our cantaloupe acreage or to curtail it to a point where our pack would be a small fraction of our present output. This would pertain to the entire California cantaloupe industry. The 1959 California cantaloupe pack amounted to 7,228,011 crates, a dollar volume of approximately $28,808,000.00. It goes without saying that if the State cantaloupe pack were drastically reduced, the State economy would be affected by the loss in taxes, reduced job opportunities, and the loss which would be sustained by related supplier industries, as well as a substantial loss of income to farmers.

Coit Ranch and the California cantaloupe industry has, over the years, become increasingly dependent on the Mexican Agricultural Workers program for its labor supply. Coit Ranch has raised and packed cantaloupes for 19 years.

During this time, the supply of domestic pickers has dwindled annually and now practically disappeared. In 1959 we never had more than two domestic harvest crews (30 men) in the harvest fields, and for most of the season, there was less than one crew available. This becomes more meaningful when it is realized that domestic crews were assigned only to harvest crews who spent the majority of the time on the mechanized conveyor belt loading method of harvest, which employment required less physical effort.

When we first started to grow cantaloupes, there was a sufficient supply of domestic professional cantaloupe pickers available. These men would follow the cantaloupe crop from Southern California, and they were excellent workers and producers. These "professionals" are today for the most part, older men, and, as age has rendered them physically incapable, these domestic crews have become very few. During and since World War II, younger men have not been attracted to this work which requires a great amount of physical effort under weather conditions which at times are extreme.

I would like to point out again that domestic harvest workers were not available in 1959. We conducted an active recruitment program consisting of newspaper advertisements, a man to man recruitment in the general area, and orders for workers placed with the Firebaugh and Fresno Farm Placement offices. By statute we are required to offer employment to <u>any</u> worker, regardless of qualifications, who applies for work in the operation where Mexican Agricultural Workers are employed. This requirement pertains whether the applicant has been referred by Farm Placement or not. Yet during the 1959 melon harvest season not one worker applied for employment as a melon harvester. It is difficult to entertain seriously, claims of agricultural unemployment when such a situation exists.

We have heard and read of suggestions involving the increased use of student labor as a means of solving agriculture's labor problem. We feel that these suggestions contain merit when applied to certain phases of agriculture. We do not feel, however, that student labor can effectively answer our problems in cantaloupe harvest. Our reasons are several. Firstly, there are few in the "student labor" age group who could stand up physically to cantaloupe harvest requirements and conditions. Secondly, the school vacation period does not coincide with our harvest season, which, as a general rule, runs from about July 15th to October 1st. Another area of difficulty in the use of student labor arises in connection with State and Federal Child Labor Laws, laws which we feel are sound and necessary. We speak specifically of limitations regarding hours of work permitted in any one day or any one week. The harvest of cantaloupes is particularly critical in relation to the time of ripeness. Even a matter of a few hours can make the difference between a melon which is marketable and one which is not. We could not conduct a successful melon operation where hours of harvest would be sharply defined.

It is therefore our honest and well thought out conclussion that we as cantaloupe growers and the entire California cantaloupe industry cannot exist at this time without the labor relief represented by the Mexican Agricultural Worker program. We earnestly solicit your understnading and help.

There is one other point I would like to discuss briefly. We are and have been vitally interested in maintaining a static, able, well trained, and healthy work force at Coit Ranch. I am speaking of a work force other than the peak seasonal work force required to harvest cantaloupes. To secure such a work force, we find that we are faced with one major stumbling block. That stumbling block is adequate housing. We are not happy with our existing

housing; in fact we are most unhappy. It remains a problem we have not been able to solve, nor do we see any possibility of a practical, financially sound solution in the near future.

Simply stated, our problem is the financing of new houses in the numbers we feel to be necessary. I need not go into detail as to the amount of operating capital needed by a successful, modern agricultural operation. Payrolls must be met, bank loans repaid, equipment replaced, and operating supplies purchased if operations are to continue as they must.

We have found it impossible to tie up a considerable amount of capital in the construction of new homes and still maintain normal ranch operations. This, we know, is a problem all large scale agriculture faces, and it is indeed a complex one.

Time does not permit a lengthy discussion, but we do request your thoughtful consideration. We are not asking for a dole. We are asking to borrow long term money, and we feel this must come from State or Federal sources. Such funds are not available to us as they are, in effect, to our industrial, metropolitan brothers, where tracts of hundreds of houses are possible thru F.H.A. loans. We, in the rather isolated areas where we operate, must develop our own housing. We cannot depend upon large scale housing developers or adequate government low cost rental units.

May I say again, we are not looking for gifts. We need help as I have already outlined, or, as an alternative, federal tax relief in the area of depreciation rates which are currently applied to new housing construction.

We are grateful for this opportunity to appear before you and present our thinking on these questions so vital to us all.

Thank you.

R. S. AMADOR

JACK BARTLETT

ROOSEVELT CARTER

REP.,CSO

PREPARED STATEMENT FOR
CALIFORNIA SENATE HEARINGS ON
FARM PROBLEMS

Background Information

My name is Leroy Burgess. My home is in Bakersfield, where I live with my wife and four children who are between the ages of eight and twelve. Kern County has been my home since 1946. The early years of my life were spent in Arizona. At the age of 14, because of family financial needs, I was forced to quit school and go to work on a full-time basis. I worked there in cotton and alfalfa.

The Work Situation As It Existed for Me During 1959

From the first of the year until the middle of May there was very little work. There was a little work in peas, but it didn't last long. What work there was only paid between $3-4 a day, but to get it a fellow had to drive 30 miles. Between the cost of travel and food it cost you about $1.50 to make the little bit you got.

About the middle of May until the middle of July the potato harvest provided work. This work was for five days a week. By working very hard a man could earn between $12-14 a day. This meant leaving home at 5 A.M. and getting back home about 4 P.M. My wife would work, too, because we couldn't get by for the year on what I made in agriculture. The going-rate was 7½¢ per half-bag. Half full a bag weighs 60-65 lbs., but they make you pick 70-90 lbs. per half-bag if you wanted to keep your job. Sometimes they'd draw a black line about 3/4 of the way up the bag and call it the half-way mark. Actually the bag would have been able to hold only 10-15 more pounds before it would have been so full it would have to be sewn for shipping. If any of us had complained about this, we would have been fired.

In the potato work the contractor does the hiring and firing, but he has to put the squeeze on the workers because the farmer is putting the squeeze on him. The contractors take out Social Security from your pay, but I am sure they do not always pay it. Half of the time they do not even ask you for your name or Social Security Number. Sometimes sanitary drinking cups are provided; sometimes they are not. Toilet facilities are very poor; usually there is one or two for every 200 people, which certainly is not enough. As I said, this work lasts until the middle of July; about 6 to 7 weeks.

From mid-July until the 20th of August there is no work. The regular workers have already been hiredto weed thecotton, so there is no work for those of us who have been harvesting potatoes.

About August 20th the cotton harvest starts about 40 miles from Bakersfield. You can only pick about 100-150 lbs. a day @ 2½¢ per lb., so that means you can only make $3-4 a day. Then you subtract the cost of food for the job and transportation to and from the job, and you don't come out much ahead unless 4 or 5 of you travel together. Most of the contractors keep the scales weighing 4 to 5 lbs. light, or they don't give you a chance to read the scale for yourself. The old people and those who can't help themselves really get cheated. The contractors usually hire a guy to do the weighing. When everybody starts to get onto him the contractor fires him and gets another guy to do the weighing.

One contractor for whom I drove a bus and ran the crew said to me: "I hate to be teaching you my tricks, because I know that sometime they might be used against me." I didn't want to have to cheat the people and drive them so I quit him. The majority of contractors in weighing, or at least many of them, cheat the people out of 800-900 lbs. a day. This amounts to the price of one bale, which is about $60. I haveknown it to run as high as $80 a day. Here, too, Social Security is deducted from your pay, but the majority of contractors don't even bother to ask you your name or Social Security number. Usually there are no toilets at all. Sometimes drinking water is provided, but only seldom are there paper cups. Usually you have to drink out of an old vegetable can which has been rinsed out.

The work in harvesting cotton lasts from August 20 until the last of December, but from mid-September until mid-November the work is the best. Then, an average, top rate-picker can make $12 a day. From mid-August until mid-September, a good man can make only about $5 a day. From mid-November until mid-December the work is irregular, and the pay ranges from $4-6 a day. Right now I am working in a gin for a farmer loading the waste material which will be used for fortilizer. I work about 10 hours a day @ $1.00 per hour. The work won't last very much longer.

Additional Information

My earnings amount to about $1,000 a year. My wife earns between $400-500 a year. This is the extent of our family income.

On all jobs the conditions are about the same, whether you work for the farmer or the contractor, because the farmer, too, is out to pay as little as he must.

Some people wonder why many farm laborers go around looking sloppy. They don't realize that a guy can't even look decent on the wages he gets paid for doing farm work.

I tried to get a job doing laboring work around here. I paid the initiation fee for the building and construction union and the monthly dues for two years, and I never got even one day's work out of it. There was obviously discrimination. I can do a lot of other kinds of work if I am given the chance. I can drive a truck and other kinds of heavy equipment. I have done carpentering and plumbing, and I can also lay bricks, or flagstone, make retaining walls. A guy has to learn to do all kinds of work if he wants to get by and be able to support his family.

J. MONTOA

PREPARED STATEMENT FOR
CALIFORNIA SENATE HEARINGS ON
FARM PROBLEMS

Background Information

My name is Jose T. Montoa. I have a wife with whom I live along with the four children of her previous marriage. They are ages 13, 15, 16, and 18, and they are all in school. My wife works in Mercy Hospital in Bakersfield where she does kitchen work. She makes about $60 a week. It is necessary that she works, because we could not live on what I make doing farm work. I have been in the Bakersfield area since 1939 and feel I know the problems faced by one doing farm labor work quite well. I have done work in the following crops--potatoes, tomatoes, cotton, and prunes. I have also done work as a contractor, though I am not working as a contractor at present.

Recent Work Experience

From May through July of 1958 I worked on a ranch near Taft. I went to work here when the man agreed to pay me $1.20 an hour, because I was a foreman (for 45 days) in charge of 45 Mexican Nationalists. The remaining month and a half I was chopping cotton for the same wages of $1.20 an hour. During this period of time I was working 10-12 hours a day. I also received room and board from the farmer. Though he paid me by cash, he took out Social Security and Withholding Tax, which I am sure he paid the government. There were no toilet facilties in the field, but there were paper cups and drinking water.

From August-October I also worked for this man, though I was not living on his ranch, nor was I getting an agreed-upon $1.20 an hour. I was weeding cotton for which I was paid by the row. I worked from 6-12 hours a day, and made from $8-12 a day.

November and December my wife and I both worked picking cotton. We worked 6-7 hours a day, and sometimes, though not most of the time, we made as much as $15 a day between us.

From Jan-Oct.23 of 1959 I served time on a road crew for non-support. I was divorced from my first wife, with whom I had had six children, and to whom I was suppose to pay $25 a week in support. I just could not do this. I couldn't support one family adequately on farm labor wages; two was an impossibility.

Since late October I have done work pruning. The work lasts 6 or, once in a while 7 days a week. We work 9 hours a day, but only get paid 90¢ an hour. We get paid in cash by a contractor who takes out Social Security, which I question as to whether it ever is paid over to the government. We are provided with drinking water and sanitary paper cups in the field, though there are no toilet facilities.

Comments on the Farm Problem

A man doing farm work usually earns only 90¢ or $1.00 an hour, and during the Winter months often less. A man doing farm puts out just as hard as a laborer doing other kinds of work, yet, because he has no union to go to bat for him, or any legal minimum wage, he is at the mercy of the employer, and, underpaid.

Not only does the farm laborer have no union, his right to organize is not recognized. In 1954 and 1955 when we tried to strike and organize wet-backs were brought in to the area.

Sometimes a farmer will pay a contractor enough so that the contractor can pay the men working for him $1.00 an hour, after he has deducted 10¢ per hour from each man's pay. Then, may be the farmer himself will guarantee a second contractor only enough so that after he has deducted 10¢ per hour from each man's pay he will be paying each man 90¢ an hour. This seems quite unfair to the employees of the second contractor who are doing the same work as those of the first contractor.

Sometimes a fellow goes to work for a contractor and works a few days only to find himself out of work, because another contractor has come along and underbid the contractor for whom he has been working. Thus, through circumstances beyond his control, and which in no way are the results of hisworking ability, he finds himself out of work.

During the Winter months, and slow times of the year, when many farm laborers are out of work, farmers will hire farm laborers for as little as 40 or 50¢ an hour, or usually 75 or 80¢ an hour because they know a man will have to take anything he can get.

I know of one situation in which farmer paid his foreman to hire workers to and from work, and the man turned around and charged the workers 25¢ a day for travel.

I know, too, of a situation in which the foremen on a job drive their men asruthlessly as they can, because the crew which was most productive would be the one which would get to work during the slow season when the other crews were laid off.

REV. CECIL HOFFMAN | A. G. PIGG

January 28, 1960

Members of the Senate Fact Finding Committee on Labor and Welfare,
Senator Cobey:

Being a licensed and bonded labor contractor some experiences I have had during the past years indicate that Braceroes are working where there is sufficient domestic labor to meet the demands. This conclusion, in my opinion, may be verified by the following experiences.

On a ranch south east of Dos Palos, last October, I had a crew of from 75 to 100 men available for cotton picking. The farmer told me the regular crew of Braceroes residing there was sufficient to do the work.

At another ranch the forman said he already had enough labor supplied and it was evident the crew in his field was Mexican Nationals.

The result of this is that I and the men I employ are unable to work for the larger ranchers. Only the small farmers who have not facilities for using Braceroes employ entirely local labor. In past years in talking to ranch formen, I asked why they used Nationals when local labor was available. One answer was, They were cheaper. One forman said,"Aww,you wouldn't work for what these men(Nationals) are working for." I said "How much?" He said "50¢" Local labor at that time was 90¢ but I would have worked for 75¢, but not for 50¢. This was in tomatoes. This ranch was north west of Crows Landing.

Braceroes are used as a threat to local labor to prevent strikes, keep wages down, and generally control labor. Any attempts at labor organization may be quickly squelched by organized farmers, using, among other things, the Mexican Nationals.

On occasion we have attempted to sit down, labor contractors and ranchers together, to discuss this problem; invaribly the ranchers did not attend.

In our community I would guess 50% of farm workers are worthy of welfare aid at the present time. This is because this years cotton harvest was a very short one and partly because Braceroes took part of the wages home.

At todays wages it is impossible for a man with a family to save money from 8 or 9 months work to last through the other 3 or 4 months.

In our meetings of the Farm Labor Contractors Association the Mexican National problem always takes preference.It is our biggest worry.

Low prices and wages for farm labor make it increasingly hard for us to hire additional bookkeepers, clerks, etc., to keep records for social security, workers compensation, etc. Many times the farm labor pays for these in the end.

In my opinion there is not a shortage of domestic labor. There is a shortage of cheap labor. The Braceroes help keep it cheap.

Respectfully submitted

A. G. Pigg
Dos Palos, California

A. G. Pigg

D. COLE

TESTIMONY OF DAVID E. COLE, PATTERSON, BEFORE THE SENATE FACT FINDING COMMITTEE ON LABOR AND WELFARE JANUARY 27, 1960

Senator Cobey and members of this Committee, I am David E. Cole, General Manager for Nutting and Hogue. We are a Grower, Packer and Shipper organization dealing principally in tomatoes, with headquarters at Patterson, California. We grow tomatoes in Stanislaus, San Joaquin and Merced Counties, and, also, have a shipping deal at King City, Monterey County, where we ship tomatoes grown by other growers.

I am appearing here today because of the importance of the tomato industry in the overall agricultural picture in California, and because of the important part harvest labor plays in the tomato growing operation. To illustrate the importance of the tomato industry to California agriculture, I would like to introduce an excerpt from a report published by the California Crop and Livestock Reporting Service entitled, California Vegetable Report, 1959 Annual Summary, dated December 22, 1959.

"The leading vegetable melon, and strawberry crops grown in California during 1959 are indicated below.

Rank	Acreage		Production		Value	
	Crop	Percent of Total	Crop	Percent of total	Crop	Percent of Total
First	Tomatoes	23.9	Tomatoes	39.8	Tomatoes	22.8
Second	Lettuce	17.2	Lettuce	15.9	Lettuce	17.0
Third	Asparagus	11.3	Celery	7.0	Strawberries	7.3
Fourth	Cantaloups	7.0	Cantaloups	5.7	Cantaloups	7.1
Fifth	Broccoli	3.8	Carrots	5.2	Celery	6.5"

The California Crop and Livestock Reporting Service reveals that of all the vegetable and melon crops grown in California, including strawberries, the tomato ranks number one, both as to total acreage grown and value of the crop. According to the table appearing in the above identified publication,

tomatoes represent 23.9 percent of all acreage and 22.8 percent of the total value of all vegetable and melon crops planted in the State of California.

The importance of agricultural labor to the tomato grower becomes apparent when it is realized that, according to a publication entitled, Do You Know Your Canning Tomato Production Costs, published by the Stanislaus County Agricultural Extension Service, harvest labor represents 46 percent of the total cost of production. Our own experience has been that labor accounts for approximately 48 percent of our farming costs.

My experience with the tomato business began in 1953 when I undertook a position as Division Manager at Patterson, California, for a nation-wide Grower-Shipper organization. At that time we used locals, or domestic workers 100 percent. Our hiring was done through a licensed labor contractor who was responsible for the quantity and quality of the work being done. He worked under the supervision of our field men. The working force relied on the contractor to secure work for them throughout the working year. For the most part the work was good, and, I believe, most growers were satisfied with field labor conditions as they existed in our area at that time.

In 1954 the United States Bureau of Immigration and Naturalization initiated a program to apprehend and deport all Mexican Nationals illegally in this country. We were amazed to find that our picking crews shrank to insignificant numbers indicating that our crews were made up of, to a large extent, so-called "wetbacks." My organization found it necessary, for the first time in this district, to initiate the provisions of Public Law 78 and to use imported foreign workers. Attempts were made to proceed in the

recruitment and utilization of domestic workers as was done in previous years, but they were simply not to be had in numbers large enough to make a working crew. We found that, from this time on, we had to rely on whatever locals were available and supplement our work force with the Braceros. This was not by choice, but rather by necessity.

We hire our first seasonal workers around the first of March. For the most part, they are tractor drivers and irrigators, and are semi-skilled workers who remain in our employ for the better part of the year, year in and year out. These people are local residents, providing their own housing, and are substantial and respected members of our local community.

Approximately seven weeks after planting, we begin our thinning operation, and it is at this time that we utilize our first stoop labor. Our labor program is in the hands of a man who makes his business that of procuring, handling, and maintaining field labor. He acts both as a labor contractor and as our employee, administering our Mexican National program. At the beginning of our thinning operation, our contractor recruits the domestic labor and provides transportation to the field, the expense of which is borne by us. Some families are available for this work, but, by and large, all of the work force which we are able to procure during this period are what is commonly referred to as "winos." As is common knowledge, most of these individuals are chronic drinkers and are totally unsuitable for this type of work. It is not uncommon for these individuals to work for a period of an hour, or less, and then demand to be paid off. In an effort to make a practical working crew out of these individuals, we make an effort to persuade them to take residence in our labor camp, and to take their board there, so that they are available for

work for an extended period of time. We are sincere when we send a bus many miles in an effort to procure a field crew; there are no secrets as to the rate of pay, the work these men will be doing, or of the hours they are expected to work. We lay our cards on the table, and all we ask is a day's work for a day's pay. In attempting to induce these individuals to remain in our camp, we are doing so with piece of mind in knowing that the food is excellent, that the dormitories are clean, freshly painted, with adequate ventilation, and that there is recreation in the camp in the form of volley ball, pool, and television. We know that at the end of the day our men can get a shower and a clean bed. Some family crews, of the type that did our picking before the use of Nationals, are available for thinning, but they are isolated cases and are really not a factor.

It should be pointed out that the thinning operation goes on continuously from the middle of April until the 10th of July and increases in volume as the season progresses. Local crews, except for those already being used, become unavailable shortly after the thinning season begins. It is at this time that certification is requested for the use of Mexican Nationals. Initially, we require a token force of Nationals to supplement our locals during the thinning operation. Our first tomatoes are ready for harvest during the early part of September and it is at this time that we require the use of Mexican Nationals in volume. You may ask why we don't recruit locals for this work. We have found, by experience, that locals are not available in our area at this time of the year. I am not qualified to say why they are not available at this time, although I've been told by people who should know that they are working in jobs that appeal to them more than picking tomatoes. After the first part of

September our fields are maturing regularly and our volume increases systematically requiring the contracting of more Nationals until our total labor force reaches two hundred Braceros.

The foregoing resume is given in an attempt to acquaint the Committee with conditions affecting the requirements for field labor as it applies to the tomato industry. It must be realized that this information is based on one organization's experience, but it is my belief that our experience is typical and representative for tomato operations in this area.

In an attempt to statistically illustrate the tomato field labor requirements, both chronologically and quantitatively, the following table is offered.

Comparison of Tomato Work Force to Total Work Force Taken from the California Weekly Farm Labor Report for Merced, Stanislaus and San Joaquin Counties for the Period from 5/9/59 to 11/28/59

Week Ending	3 Counties Employed in Tomatoes	3 Counties Total Employed	% of Total Labor Force Working in Tomatoes
5/9/59	1,750	75,650	2.31
5/23/59	2,550	80,150	3.18
6/6/59	2,280	84,460	2.70
6/20/59	4,359	73,260	5.96
7/14/59	4,150	66,900	6.20
7/18/59	4,000	68,020	5.88
8/8/59	3,600	70,550	5.10
8/23/59	9,800	82,950	11.81
9/5/59	9,420	91,830	10.38
9/19/59	16,800	87,650	19.17
10/3/59	14,400	83,650	17.21
10/17/59	10,800	77,090	14.01
10/31/59	6,594	64,250	10.27
11/14/59	2,595	55,410	4.69
11/28/59	650	53,520	1.21

It is significant that as high as 19 percent of the total labor force working in agriculture in Stanislaus, San Joaquin, and Merced Counties is engaged in tomato activities.

Because of the unavailability of domestic help, Public Law 78 and the use of Braceros is absolutely necessary for the survival of the tomato industry in the areas in which we operate. I have tried to show this in previous testimony and it is the consensus of opinion among tomato growers that without Mexican National help we would have to discontinue operations.

The Bracero program has a definite beneficial effect on the economy of Patterson and other cities and towns in this section of the San Joaquin Valley. The merchants of Patterson arrange to remain open one night a week expressly for the convenience of the Braceros. Also, the Patterson Theater has Spanish Language movies on Wednesday nights. This is a good example of an enterprise that has gained materially from Mexican National trade. Due to current trends in the entertainment business, with which I believe we are all familiar, it is questionable as to whether this small town theater would have been able to survive to date without the Bracero patronage. The local merchants are supported in their program by the growers and camp operators in that buses are run to town as a convenience to the Nationals on these nights.

The growth of crops cannot be interrupted so that the farmer and his workers may observe the Sabbath during regular church hours through the growing and harvest season. As a convenience and service to local agricultural workers, churches in this community have evening services and also special programs for the Braceros. Priests regularly call at the camps to afford spiritual comfort to those desiring it.

The Bracero program is of inestimable value to the economy of Mexico and should do much in the way of a good neighbor program. Certainly a

portion of the Nationals' income finds its way back to Mexico and I don't think anyone can argue with the fact that here we have a program that is beneficial to both the United States, in that the U. S. grower is receiving services rendered for his money which is, in return, helping to bolster the economy of Mexico. This is certainly more painless to all concerned than some of the foreign aid programs that have been initiated in this country.

The current economic picture for the tomato industry is not good. In the publication, Do You Know Your Canning Tomato Production Costs, previously referred to, it is shown that the cost of raising and harvesting a ton of tomatoes, based on a twenty ton yield, is $23.71 per ton. The prevailing contract price for canning tomatoes during 1959 was $21.50 per ton. Canners are soliciting acreage for 1960 and are offering to pay $22.50 per ton. It can readily be seen that if a grower grows a 20 ton crop under present conditions he is losing money. This is further pointed out in Westside Crop Notes, published by the Stanislaus County Agricultural Extension Service, and dated January 15, 1960. I quote, "Unless an individual grower is confident he can produce several tons more than the County average yield of 18 tons, there is little chance of breaking even. It seems a waste of land, time, and effort to plant tomatoes on land that is not well suited to tomatoes because it takes 22 or 23 tons just to break even." From this, it can be seen that the grower must get well above average yields to break even, and it is necessary to hold the line not only where labor is concerned, but with all costs of production if we are to survive.

In reviewing Mr. John E. Carr's testimony, which was given during this Committee's hearing, which was held at Sacramento on November 16 and 17, 1959, I note that Mr. Carr makes the statement that it is not the function of the Farm Placement Service to set wages. Our hourly costs of harvesting tomatoes were raised eleven percent during 1959. It should be explained at this time that tomatoes for shipping are ordinarily picked by the hour while cannery tomatoes are picked at a per box rate, the per box rate to at least equal the hourly rate. The explanation for the variation in the method of paying is that in picking market tomatoes we must be very discriminating as to quality and so we have found our most efficient method for picking shipping tomatoes is by the hour. On the other hand, quality is not such a factor in harvesting cannery tomatoes; that is to say a picker may be justified in putting a scarred tomato in a cannery box when it would be unsuitable for shipping. Therefore, we are more interested in production in picking cannery tomatoes; hence the piece rate.

The hourly rate of pay for picking tomatoes in Stanislaus County has been $.90 the past several years. Towards the middle of the 1959 season, another shipper telephoned me and said that he had just been notified by his labor association that the rate for picking tomatoes would be increased from $.90 to $1.00 per hour. He asked if I had been advised of an increase and wondered what action I intended to take. I had had no notice of an increase and immediately called my association to see what information they might have. My call was the first they had heard of the raise and they advised me to sit tight until they got the answers.

In the meantime another shipper advised me that he had been told by the Farm Placement Office that the rate was still $.90. Shortly after this, a representative of the Farm Placement Service called at my office on a routine visit. During my conversation with him he claimed that the rate should be $1.00 per hour for shipping tomatoes and $.90 per hour, or its equivalent in piece work, for cannery tomatoes. In the meantime the manager of the labor association of which we are members exchanged telephone calls, and finally correspondence with a representative of the Farm Placement Service in Sacramento and was advised that the rate would be $1.00 per hour for both shipping tomatoes and cannery tomatoes, not on the basis of a wage survey, but because the Farm Placement Service claimed a preponderance of domestic workers in the county were receiving $1.00 per hour. If this is not setting wages, it comes very close to it. Not only did we have to underwrite an eleven percent increase in wages, but it was the 20th of November before a clear-cut, finalized decision was rendered. This was three days after our season ended and meant that we had to go to the inconvenience and expense of making retroactive payroll checks for a labor force of two hundred men, most of whom had left the country.

The charge was made at the Sacramento hearing that an oversupply of Nationals are brought into this country every year so that excessive profits may be made in the feeding of these men. To me, this charge is ridiculous and unfounded, at least so far as my district is concerned. By and large growers in our area retain the services of a camp manager who, as their employee, leases camp facilities to the grower and provides feeding, transportation, supervision, etcetera. I am certain that the members of this

Committee are familiar with the high costs of recruiting and maintaining the Bracero and it is certainly unreasonable that the grower would go to this expense for the enrichment of the party in charge of the commissary. True, several years ago abuses did exist in the feeding of the Mexican National. This is no longer possible even if a grower happened to be short sighted enough to order more workers than his operation required, because of stringent federal regulations governing menus, etcetera.

In reviewing some of the testimony given the Committee during the course of their Sacramento hearing, and after listening to some of the testimony presented here, I think that it should be pointed out that in the present day modern farming operation, the job of securing help and handling labor has become highly specialized and individuals carrying out this type of work rank among the most valued of all employees.

The modern farmer must operate his enterprise as a business and any business, no matter how large or small, must rely on the delegation of authority for an efficient operation. The modern farmer is no better than the help with which he surrounds himself, especially those acting in supervisory capacities. On many ranches, one individual may be in charge of the tractor operations, another may be in charge of the irrigation, and another may be in charge of the harvest operations. All ranches, of which I have any knowledge and requiring any amount of labor, rely on one individual to handle these activities, commonly known as a labor contractor. He has the specialized knowledge and know how to carry out his job and the farmer couldn't get along without him.

Our first year in the Mexican National program we recruited the Braceros

directly from the Border, and were not a member of any association. The pit falls of this type of operation became apparent. We didn't know the ropes, so to speak, and before we knew it we were involved in many problems which are routine for an association schooled and versed in the administration of the program. We harvest our crops late into the Fall, as late as the weather will permit, and as the nights started to become cooler our men began to become restless and some of them wanted to return to their homeland. As one would leave, his leaving would seem to stir up others until they were leaving in groups of three and four. You see, one of the most serious shortcomings of the Mexican National program is that the grower is saddled with an irrevocable contract obligating himself to the worker, but the worker is free to come and go as he pleases as far as repatriation is concerned. If he breaks his contract the only penalty being that he must pay his own transportation home. Our labor supply became critical and, try as we may, we could not secure locals. In desperation I placed a call to the labor association of which we are presently members, and they were able to supply us with enough Nationals to finish out the year.

The following season we obtained our men directly from the association and this type of operation proved to be much more satisfactory. We felt that we obtained a better class of worker, competent field service was available to mediate any differences that might crop up during the season between employer and employee, help was available to train us to keep proper records, and the association handled the repatriation of the worker. More efficient utilization was made of the worker in that if he finished work on one job or activity, there was an opportunity for the worker to recontract for work on

another job or in another activity. In this way recruiting costs are held to a minimum and the worker is given a maximum opportunity to keep employed.

I thank you gentlemen for the opportunity to appear before you, and hope that I have been able, at least in a small way, to point out some of the problems, as far as agricultural labor is concerned, which are confronting the tomato growers.